DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS FOR 1987

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

SECOND SESSION

SUBCOMMITTEE ON THE DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES

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PART 8

DEPARTMENT OF STATE

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DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS FOR 1987

WEDNESDAY, MARCH 12, 1986.

DEPARTMENT OF STATE

SECRETARY OF STATE

WITNESSES

GEORGE P. SHULTZ, SECRETARY OF STATE
RONALD I. SPIERS, UNDER SECRETARY FOR MANAGEMENT
ROBERT E. LAMB, DIRECTOR, BUREAU OF DIPLOMATIC SECURITY
RICHARD N. DERTADIAN, DEPUTY ASSISTANT SECRETARY OF STATE FOR FOREIGN BUILDINGS
ROGER B. FELDMAN, COMPTROLLER

Mr. SMITH. This morning we are pleased to hear from the Secretary of State, the Honorable George Shultz. We will be reviewing the details of the FY 1987 budget request for the Department of State, of $3,920,095,000, with the individual agencies. Today, Mr. Secretary we would ask you to review the world situation and tell us in a general way the things that you considered in putting this budget request together.

GENERAL STATEMENT

Secretary SHULTZ. Thank you, Mr. Chairman, and Members of the Committee.

This is a very serious moment in the history of our diplomacy, so I welcome the chance to appear before you and talk about what we are doing with the money for the State Department budget.

You mentioned the total figure that is requested. Let me divide it into two parts. Roughly $2.5 billion is to support our normal activities at home and abroad, the ongoing operational aspects of the department. That is approximately the same as last year in dollars. Roughly $1.4 billion is requested to fulfill the responsibilities we feel we have to make our posts more secure, and that number is about double the amount we were spending on that activity last year. So when you look at the increase in the budget, it is just about entirely accounted for by the continuing and stepped-up effort for security. But if you look at the budget for our ongoing activities, it is approximately the same.

I have a prepared statement, Mr. Chairman, and I would like to put it in the record, if I could.

Mr. SMITH. We will insert it in the record.

[Secretary Shultz' prepared statement follows, together with the State Department's Budget in Brief for Fiscal Year 1987:]

STATEMENT BY

THE HONORABLE GEORGE P. SHULTZ

BEFORE THE

SUBCOMMITTEE ON COMMERCE, JUSTICE, STATE,

THE JUDICIARY AND RELATED AGENCIES

COMMITTEE ON APPROPRIATIONS

U.S. HOUSE OF REPRESENTATIVES

MARCH 12, 1986

EMBARGOED UNTIL DELIVERY, SCHEDULED FOR APPROXIMATELY 10:00 A.M. EST, WEDNESDAY, MARCH 12, 1986. NOT TO BE PREVIOUSLY CITED, QUOTED FROM, OR USED IN ANY WAY.

Mr. Chairman and members of the Committee:

Today I am here to discuss the President's request for the operating budget of the Department of State. For Fiscal Year 1987, we are requesting $2,510,070,000 to support the Department's normal activities at home and abroad, almost the same as last year. We are requesting an additional $1,413,125,000 for our Diplomatic Security Program, making a total request of $3,923,195,000.

The first priority of this operating budget is to upgrade security for our people and for U.S. facilities overseas against what we all now recognize is the serious threat posed by international terrorism.

Our second priority is to strengthen the Department's ability to collect and interpret information that is critical to the formulation and implementation of our foreign policy. A number of these activities have been directed by the Congress.

A third area is improvement of our information systems. This is necessary so we can make optimum use of modern technology in the formulation and implementation of our policies.

Overall, the resources we are requesting have been accommodated within the FY-87 budget and the deficit target contained in the Gramm-Rudman-Hollings legislation.

Let me summarize our overall request before turning to a detailed discussion of these three top priorities.

The appropriations for Fiscal Year 1987 are in four major categories; First, we seek $3,381,774,000 for the Administration of Foreign Affairs. This covers the Department's basic diplomatic and consular functions, salaries, operating expenses, allowances, overseas building construction, maintenance and security.

Second, under the heading of International Organizations and Conferences, we request $493,221,000 to cover assessed contributions to international organizations of which the United States is a member. This sum also covers our contributions for United Nations peacekeeping activities, and our participation in multilateral international conferences.

Third, under the heading of International Commissions, $29,700,000 is required to meet our treaty commitments under boundary agreements with Canada and Mexico and to cover our share of expenses as a member of eleven international fisheries commissions.

Finally, under the heading of "Other Appropriations," we request a total of $18,500,000. This sum is necessary for the Fishermen's Guaranty Fund; for our Bilateral Science and Technology Agreement with Yugoslavia; for the Asia Foundation; and for the Soviet-East European Research Training Fund.

Overseas Security

In current circumstances, we must give priority to the need to improve the security of our people and facilities abroad. Over the past few years the attention of the world has been riveted on terrorist dramas unfolding around the globe. This is a new and chilling phenomenon. Civilized nations and peoples are not anywhere near well enough equipped to deal with this horrifying challenge to their security. But the very character of the threat has strengthened our determination to deal with it. We must do everything we can to thwart those who seek to advance their ends through such indiscriminate violence. We in the State Department and our colleagues from other agencies serving abroad are on the front line, and some have been victims of terrorism. The courage and patriotism of our people and their families in facing the dangers is inspiring. We must ensure their safety, even in this period of budgetary stringency.

The Advisory Panel on Overseas Security

To meet this challenge, in July 1984 I formed the Advisory Panel on Overseas Security headed by retired Admiral Bobby Inman. The Panel was asked to take a hard look at our security and counter-terrorism programs and to recommend steps we could take to improve the protection of our personnel and facilities abroad.

I am extremely pleased with the Panel's report. Its hard work and dedication is clearly reflected in the quality of the report. The Panel exhaustively researched all aspects of our security and counter-terrorism programs. Its recommendations have vision and, perhaps more importantly, are practical. They are recommendations which, with your support, are achievable.

The Panel gave us 91 recommendations. We have implemented 45, and work is underway on 20 more. An additional 20 are awaiting the resources we have asked for in our 1986 supplemental request.

The recommendations in the Panel's report focused on three central points:

-- first, that a Bureau of Diplomatic Security with a Diplomatic Security Service be established in the Department to increase the professionalism of our security personnel and programs;

-- second, that my overall responsibility and that of the Chiefs of Mission for overseas security programs be emphasized because such supervision is fundamental to good management; and,

-- third, that significant new resources be made available for a comprehensive worldwide security program to protect all government employees abroad. A key element in this security effort is a major multi-year construction program to rebuild or replace embassies and consulates overseas which fall significantly below our physical and technical security standards. Other elements are the upgrading of our communications with state-of-the art technology so they are faster and more secure, and the improvement of intelligence-sharing with host governments and within our own government.

Actions Taken

The Bureau of Diplomatic Security and the Diplomatic Security Service have been established, with your support, through reprogramming of funds. In addition, using existing funds and authorities, we have already:

-- started an ambitious recruitment campaign to bring on board nearly 300 new security agents during FY-86 and to more than double the number of overseas security officers, pending the approval of our security supplemental request;

-- significantly improved training for security agents;

-- streamlined threat-alert procedures;

-- increased the number of local guards worldwide;

-- added more Marines and Marine Guard detachments to posts;

-- nearly doubled the size of our armored vehicle fleet overseas;

-- made significant physical security improvements at 152 posts; and

-- dispatched mobile training teams to high-threat posts to provide specialized security training to U.S. government personnel, dependents and Foreign Service Nationals.

Many of our overseas posts face busy streets. Some have extensive glass facades. Some share walls with non-U.S. government tenants. All this is generally undesirable. In some cases, it is simply unacceptable.

The proposed program places its highest priority on buildings at locations where the security threat is greatest and which are substantially below the new standards.

Great effort has gone into creating a construction program which would ensure that buildings are designed and built to meet stringent security standards, on time and within budget.

Our proposals are more than a security construction program. We will also improve communications and counterintelligence. For example, we will improve security in Moscow and at other East European posts by substituting Americans for a substantial number of local employees now working in support positions.

Further, we are requesting resources to strengthen our capability to protect foreign missions and dignitaries in the United States.

We are working closely with other agencies to develop appropriate security standards, procedures, and levels of resources in order to meet the needs of all U.S. government agencies having facilities overseas, except for military bases.

To initiate our new Diplomatic Security program, we are requesting an additional $4.4 billion spread over five years. Of this total, $2.7 billion is for construction. The balance is for operating expenses, including security officers, residential security improvements and more secure communications equipment. In FY-86 the Administration is requesting an urgent supplemental of $237 million for salaries and expenses and $455 million for construction. In FY-87, the request is $304 million for salaries and expenses and $1.1 billion for the Foreign Buildings Program.

Mr. Chairman, the Administration's proposal is a major, national program to improve the physical and technical security of all civilian departments and agencies abroad as well as the physical security of foreign missions and officials in this country. Our overriding goal is to maintain the American tradition of overseas posts that extend the warm hand of welcome to the local population.

We do this in a time when foreign relationships play an even more important role in the political, economic, and security interests of the United States. The program discussed here today is intended to ensure this openness in light of the dangers of today's world. We must not forget the purpose of our overseas presence is to spread our message and communicate our ideals to other nations, not to overwhelm our hosts with the aura of our power by erecting forbidding fortresses.

I have found in working with this committee and our counterparts in the Senate that we all share a common commitment to protecting the essential security of our people and missions abroad. This commitment must have the highest priority. Without it, how can we ask our people to serve their country overseas? That, I submit, is the fundamental issue.

Reporting and Analysis

Mr. Chairman, I will now turn to another priority, reporting and analysis, which is the central purpose of our embassies abroad. We require perceptive and deeply probing analyses of the politics, economic circumstances, and the social forces at work in each country where we have significant interests.

Our reporting officers' understanding of the events and policies in the countries to which they are assigned shapes our perception and plays a major role in determining the official U.S. outlook. The clarity and foresight of our foreign policy depends on the quality and discernment of these reports.

The Department is the single most important source of information relating to foreign affairs in the United States Government. This information is regularly provided to more than 60 Federal departments, agencies and public entities. These organizations fall into four principal groups: security-intelligence, economic-commercial, scientific-technical and public service agencies. The Department is the source of more than half the government's information in the first two areas, and of about two-thirds of our information on the internal politics of other countries and international relations generally.

Most of this important information comes, of course, from Foreign Service reporting and analysis. Yet our ability to meet national reporting and analysis requirements has declined due to personnel cutbacks in this area over the past decade. Not enough junior officers are getting the necessary training in the necessary techniques. As a result, we are short of the reporting expertise we should have at a time when we face new demands for this expertise, on subjects such as terrorism, human rights, and narcotics.

The Department has identified areas where our reporting and analysis capability is deficient and has a plan to remedy that deficiency. In the last two years we have been rebuilding our capability, but we need this fiscal year's request of $10 million for 198 new positions, as well as next year's, in order to meet our goal.

Information Systems

A final area of the Department's activities I will discuss today is our information systems. In order to have effective reporting and analysis, we need to better manage the increasing volume of information that flows through the Department. Our two most important assets are our people and the information that contributes to their effectiveness in carrying out the Department's mission. Information is obviously critical to the conduct of foreign relations and plays a dominant role in our day-to-day activities. And we live in an age when new technologies make it possible to collect, interpret, and disseminate ever-larger and more accurate volumes of information to the benefit of informed decision-making.

The Department is striving to strengthen our information systems in order to promote more effective foreign policy decision-making and administration; reduce demands for human resources; protect national security information and sensitive unclassified information from unauthorized access; and to comply with information statutes, Executive Orders, and directives.

We are currently making major improvements in our information management systems to achieve these objectives. In 1987, we are requesting $26.6 million and 144 new positions for this purpose.

Mr. Chairman, I urge you and your subcommittee to give this budget your strongest support.

This concludes my statement. I will be happy to respond to any questions you or the members of the committee may have.

THE BUDGET IN BRIEF - FISCAL YEAR 1987

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SUMMARY

Function

The Department of State conducts diplomatic and consular relations with foreign governments and 46 international organizations through 140 embassies, 107 consulates and 15 other missions.

Goals

The principal foreign affairs policy goals of the Administration include:

-- Security of operations. A high priority is to increase the U.S. Government's ability to conduct diplomatic relations in a safe and orderly manner, and to improve the security of our diplomatic personnel serving overseas.

-- Maintenance of peace and international stability. We seek a stable, constructive relationship with the Soviet Union and successful negotiations to achieve reductions of nuclear and conventional arsenals.

-- Relations with allies. Maintaining our strong friendships and alliances with the democracies of Europe, Latin America, the Middle East, Africa, East Asia and the Pacific is the bedrock of our foreign policy.

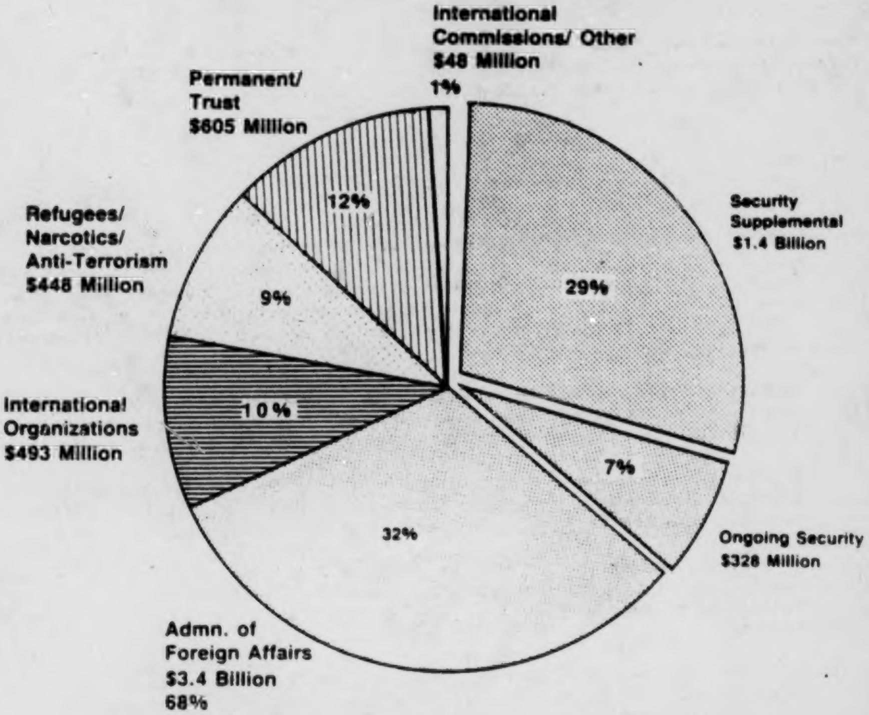
-- Resolution of regional conflicts. The United States uses its unique assets and influence to work for peaceful resolution of regional conflicts in Southern Africa, the Middle East, Central America and elsewhere.

-- A strong international economic system. We work to maintain an open international trading system, which is a prerequisite for non-inflationary global economic growth and for harmony among industrialized and developing nations.

-- Promotion of human rights and democratic institutions. Denial of freedom leads to instability and conflict. The United States works actively to promote respect for human rights and to foster the growth of democratic institutions.

Department of State

FY 1987 Request $4.9 Billion*

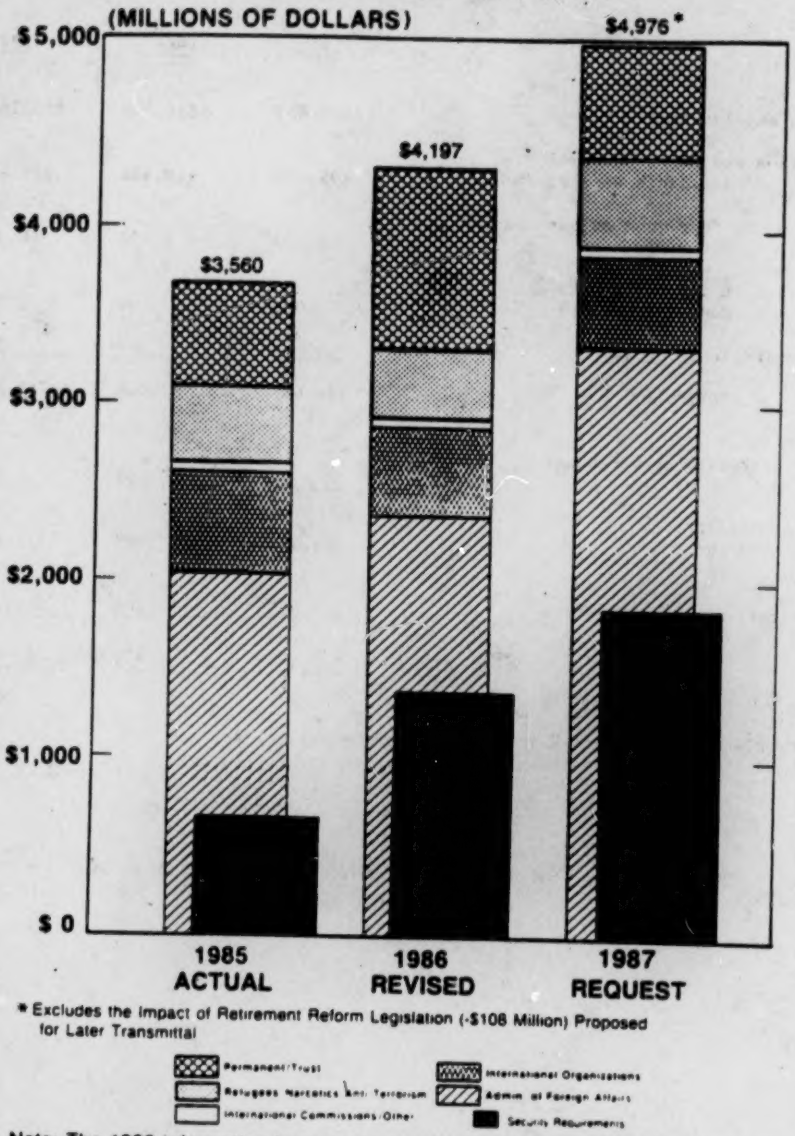


*Excludes the Impact of Retirement Reform Legislation (-$108 Million) Proposed for Later Transmittal.

FY 1987 Request	$	4.9 Billion
Less Perms & Trusts	—	.6
Total Annual Appropriation	$	4.3
Less Narcotics/Anti-Terrorism	—	.1
Total State Authorization	$	4.2
Less Migration and Refugee Act	—	.3
Total State Appropriations Act	$	3.9

Department of State

1985 - 1987 Budget Comparison



* Excludes the Impact of Retirement Reform Legislation (-$108 Million) Proposed for Later Transmittal

Note: The 1986 information is on a comparative basis to the 1986 Congressionally enacted appropriations and the 1986 requested supplementals.

DIPLOMATIC SECURITY PROGRAM
1985 - 1987
($000)

	1985	1986	1987
Salaries and Expenses	**$315,853**	**$516,346**	**$588,642**
Acquisition and Maintenance of Buildings Abroad	**199,108**	**610,822**	**1,116,460**
Protection of Foreign Missions and Officials	**9,500**	**9,900**	**10,300**
Emergencies in the Diplomatic and Consular Service	2,000	--	--
American Institute in Taiwan	--	--	389
SUBTOTAL	526,461	1,137,068	1,715,791
Counter-terrorism Research and Development	--	10,000	20,000
TOTAL, ADMINISTRATION OF FOREIGN AFFAIRS*	526,461	1,147,068	1,735,791
Anti-Terrorism Assistance**	5,000	12,260	9,840
TOTAL	531,461	1,159,328	1,745,631

* Appropriated in Commerce-Justice-State Appropriations Act
** Appropriated in Foreign Assistance Appropriations Act

Note: Excludes adjustments for the Balanced Budget and Emergency Deficit Control Act of 1985.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

Appropriations	1986 Enacted	1986 Sequestered	1986 Revised
I. ADMINISTRATION OF FOREIGN AFFAIRS:			
Salaries and Expenses...............	$1,456,700	-$62,638	$1,394,062
Acquisition and Maintenance of Buildings Abroad..................	337,000	-14,491 a/	322,509
Representation Allowances...........	4,700	-202	4,498
Protection of Foreign Missions and Officials.....................	9,500	-409	9,091
Emergencies in the Diplomatic and Consular Service.............	4,400	-189	4,211
Payment to American Institute Taiwan............................	9,800	-421	9,379
Payment to Foreign Service Retirement & Disability Fund.....	118,174	--	118,174
TOTAL, Administration of Foreign Affairs..........................	1,940,274	-78,350	1,861,924
II. INT'L ORGANIZATIONS & CONFERENCES:			
Contributions to International Organizations.....................	463,000	-19,909 a/	443,091
Contributions for International Peacekeeping Activities..........	29,400	-1,264	28,136
International Conferences and Contingencies....................	6,000	-258	5,742
TOTAL, International Organizations and Conferences..................	498,400	-21,431	476,969
III. INTERNATIONAL COMMISSIONS:			
Int'l Boundary & Water Commission:			
Salaries and Expenses.............	11,300	-486	10,814
Construction......................	2,257	- 97	2,160
Subtotal, IBWC, U.S. & Mexico...	13,557	-583	12,974
American Sections:			
International Boundary Commission.	747	-32	715
International Joint Commission....	3,008	-129	2,879
Subtotal, American Sections.....	3,755	-161	3,594
Int'l Fisheries Commissions.........	11,300	-486	10,814
TOTAL, International Commissions....	28,612	-1,230	27,382

a/ In order to maintain comparability to Congressionally enacted appropriations, the sequestered amounts related to offsetting collections are not reflected in this table.

Appropriations	1986 Enacted	1986 Sequestered	1986 Revised
IV. RELATED APPROPRIATIONS:			
U.S. Bilateral Science and Technology Agreements................	**2,000**	**-86**	**1,914**
Payment to the Asia Foundation........	**10,000**	**-430**	**9,570**
Soviet-East European Research.........	**4,800**	**-206**	**4,594**
Fishermen's Guaranty Fund.............	**--**	**--**	**--**
TOTAL, Related Appropriations.........	**16,800**	**-722**	**16,078**
TOTAL, STATE APPROPRIATIONS ACT.......	2,484,086	-101,733	2,382,353
V. FOREIGN ASSISTANCE APPROPRIATIONS:			
Migration and Refugee Assistance......	338,930	-14,574	324,356
Emergency Migration and Refugee Asst..	--	--	--
International Narcotics Control.......	62,529	-2,474	60,055
Anti-Terrorism Assistance.............	7,420	-319	7,101
TOTAL, Foreign Assistance.............	408,879	-17,367	391,512
TOTAL, ANNUAL APPROPRIATIONS..........	2,892,965	-119,100	2,773,865
VI. PERMANENT APPROPRIATIONS & TRUST FUNDS:			
International Center, Washington, D.C.	945	-41	904
Other Perms and Trusts	596,266	--	596,266
TOTAL, Perms and Trusts	597,211	-41	597,170
TOTAL, DEPARTMENT OF STATE..........	3,490,176	-119,141	3,371,035

Detailed Comparison of 1986 Revised with 1987 Request

Budget Authority
(dollars in thousands)

Appropriations	1986 Revised	1987 Request	1987 Inc/Dec (-)
ADMINISTRATION OF FOREIGN AFFAIRS:			
Salaries and Expenses	**$1,456,700**	**$1,538,043**	**$81,343**
Security Supplemental	**237,494**	**303,516**	**66,022**
SUBTOTAL	**1,694,194**	**1,841,559**	**147,365**
Acquisition and Maintenance of Buildings Abroad	**337,000**	**272,511**	**-64,489**
Security Supplemental	**454,532**	**1,089,609**	**635,077**
SUBTOTAL	**791,532**	**1,362,120**	**570,588**
Representation Allowances	**4,700**	**4,897**	**197**
Protection of Foreign Missions and Officials	**9,500**	**10,300**	**800**
Counterterrorism Research & Development, Security Supplemental	**10,000**	**20,000**	**10,000**
Emergencies in the Diplomatic and Consular Service	**4,400**	**4,400**	**--**
Payment to American Institute Taiwan	**9,800**	**11,100**	**1,300**
Payment to Foreign Service Retirement & Disability Fund	**118,174**	**127,398***	**9,224**
APPROPRIATIONS and SUPPLEMENTALS TOTAL	**2,642,300**	**3,381,774**	**739,474**
1986 Sequestered Amounts	**-78,350**		
REVISED TOTAL	**2,563,950**		

II. INT'L ORGANIZATIONS & CONFERENCES:

Appropriations	1986 Revised	1987 Request	1987 Inc/Dec (-)
Contributions to International Organizations	463,000	432,930	-30,070
Contributions for International Peacekeeping Activities	29,400	53,900	24,500
International Conferences and Contingencies	6,000	6,391	391
APPROPRIATIONS TOTAL	498,400	493,221	-5,179
1986 Sequestered Amounts	-21,431		
REVISED TOTAL	476,969		

III. INTERNATIONAL COMMISSIONS:

Appropriations	1986 Revised	1987 Request	1987 Inc/Dec (-)
Int'l Boundary & Water Commission:			
Salaries and Expenses	11,300	10,600	-700
Construction	2,257	4,200	1,943
Subtotal, IBWC, U.S. & Mexico	13,557	14,800	1,243

*Excludes the impact of retirement reform legislation (-$108 million) proposed for later transmission.

Appropriations	1986 Revised	1987 Request	1987 Inc/Dec(-)
American Sections:			
International Boundary Commission...	$ 747	$ 760	$ 13
International Joint Commission......	3,008	3,140	132
Subtotal, American Sections.......	3,755	3,900	145
Int'l Fisheries Commissions...........	11,300	11,000	-300
APPROPRIATIONS TOTAL..................	28,612	29,700	1,088
1986 Sequested Amounts................	-1,230		
REVISED TOTAL.........................	27,382		

IV. RELATED APPROPRIATIONS:

Appropriations	1986 Revised	1987 Request	1987 Inc/Dec(-)
U.S. Bilateral Science and Technology Agreements................	2,000	2,000	--
Payment to the Asia Foundation........	10,000	9,500	-500
Soviet-East European Research.........	4,800	4,000	-800
Fishermen's Guaranty Fund.............	--	3,000	3,000
APPROPRIATIONS TOTAL..................	16,800	18,500	1,700
1986 Sequestered Amounts..............	-722		
REVISED TOTAL.........................	16,078		
TOTAL, STATE APPROPRIATIONS ACT.......	3,186,112	3,923,195	737,083

V. FOREIGN ASSISTANCE APPROPRIATIONS:

Appropriations	1986 Revised	1987 Request	1987 Inc/Dec(-)
Migration and Refugee Assistance......	338,930	347,525	8,595
Emergency Migration and Refugee Asst..	--	25,000	25,000
TOTAL, STATE AUTHORIZATION ACT........	3,525,042	4,295,720	770,678
International Narcotics Control.......	62,529	65,445	2,916
Anti-Terrorism Assistance.............	7,420	5,000	-2,420
Security Supplemental.................	4,840	4,840	--
TOTAL, Anti-Terrorism Assistance......	12,260	9,840	-2,420
APPROPRIATIONS and SUPPLEMENTALS TOTAL	413,719	447,810	34,091
1986 Sequestered Amounts	-17,367		
REVISED TOTAL.........................	396,352		
TOTAL, ANNUAL APPROPRIATIONS..........	3,599,831	4,371,005	771,174

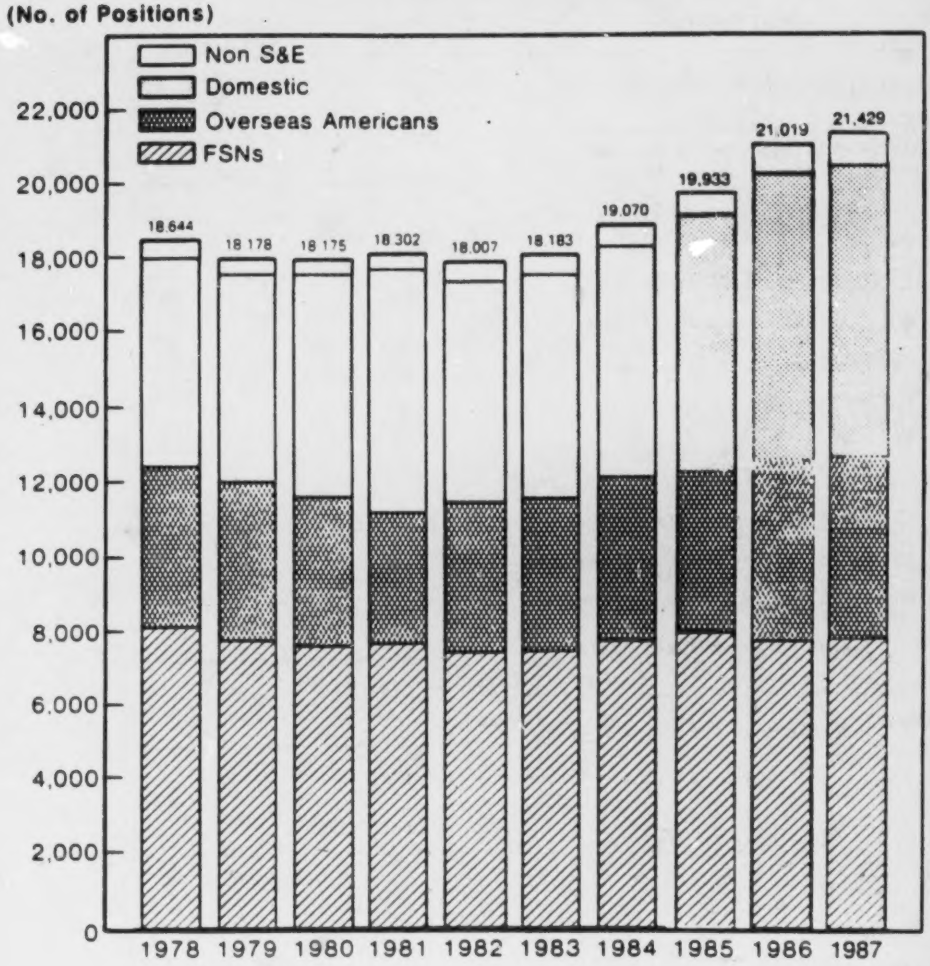
VI. PERMANENT APPROPRIATIONS & TRUST FUNDS:

Appropriations	1986 Revised	1987 Request	1987 Inc/Dec(-)
Permanent Appropriations & Trust Funds	597,211	604,785	7,574
1986 Sequestered Amounts..............	-41		
REVISED TOTAL.........................	597,170		
TOTAL...............................	4,197,042	4,975,790	778,748
RECAPITULATION:			
APPROPRIATIONS AND SUPPLEMENTALS TOTAL	4,197,042	4,975,790	778,748
1986 Less Sequestered Amount..........	4,077,901	4,975,790	897,889
Net of Supplementals/Sequested Amount	3,371,035	3,557,825	186,790

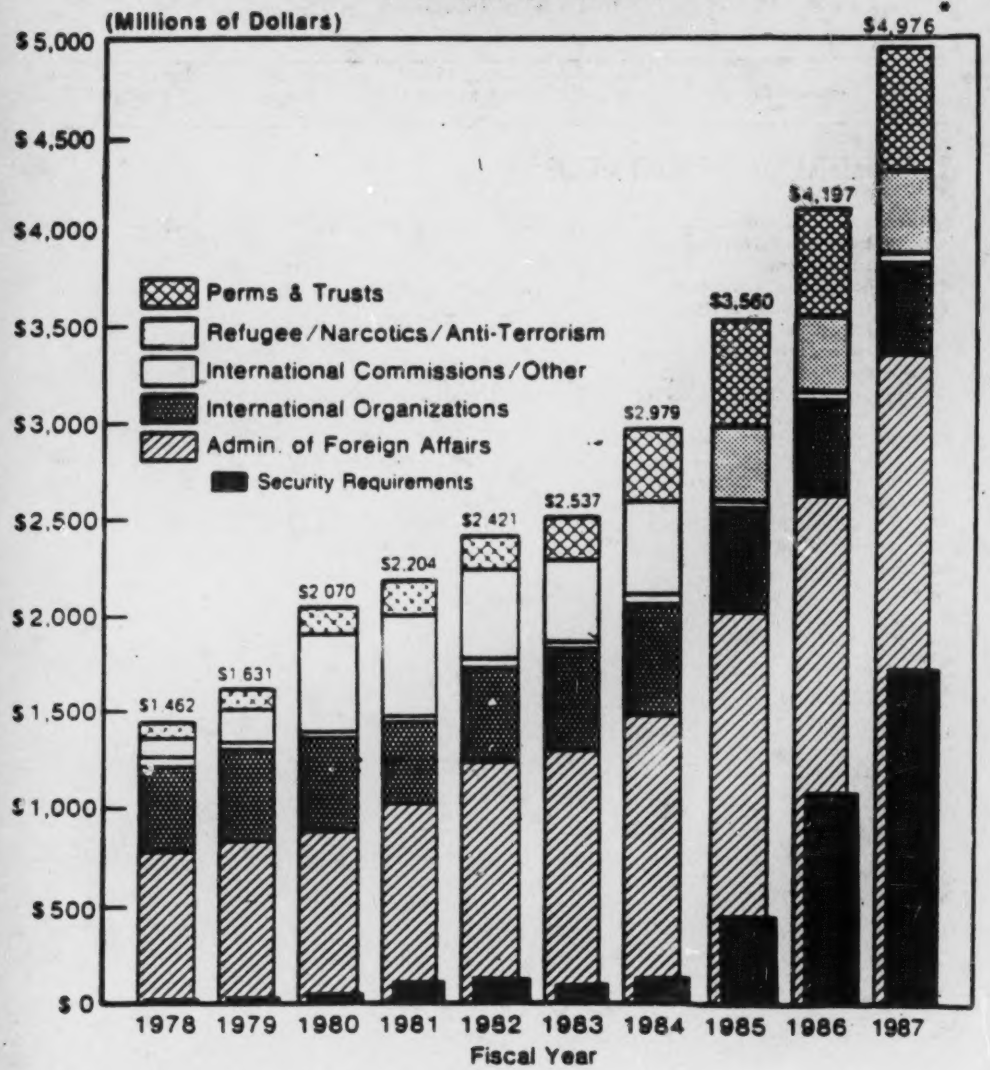
Detailed Comparison of Position Estimates for 1986 and 1987

Appropriations	1986 Revised	1987 Request	1987 Inc/Dec (-)
ADMINISTRATION OF FOREIGN AFFAIRS:			
Salaries and Expenses..............	20,192	20,600	408
Acquisition and Maintenance of Buildings Abroad...........	342	342	--
Subtotal, Administration of Foreign Affairs............	20,534	20,942	408
INTERNATIONAL COMMISSIONS:			
International Boundary and Water Commission....................	284	284	--
American Sections..................	31	31	--
Subtotal, International Commissions................	315	315	--
OTHER APPROPRIATIONS:			
Fishermen's Guaranty Fund..........		1	1
TOTAL, State Appropriations Act........	20,849	21,258	409
FOREIGN ASSISTANCE APPROPRIATIONS:			
Migration and Refugee Assistance...	106	107	1
TOTAL, State Authorization Act.........	20,955	21,365	410
International Narcotics Control....	64	64	--
Subtotal, Foreign Assistance..	170	171	1
TOTAL, DEPARTMENT OF STATE............	21,019	21,429	410

Department of State
Distributions of Positions



Department of State
1978 - 1987 Budget Comparison
(All appropriations)



* Excludes the Impact of Retirement Reform Legislation (-$ 108 Million) Proposed for Later Transmittal.

Note: The 1986 information is on a comparative basis to the 1986 Congressionally enacted appropriations and the 1986 requested supplementals.

I. ADMINISTRATION OF FOREIGN AFFAIRS

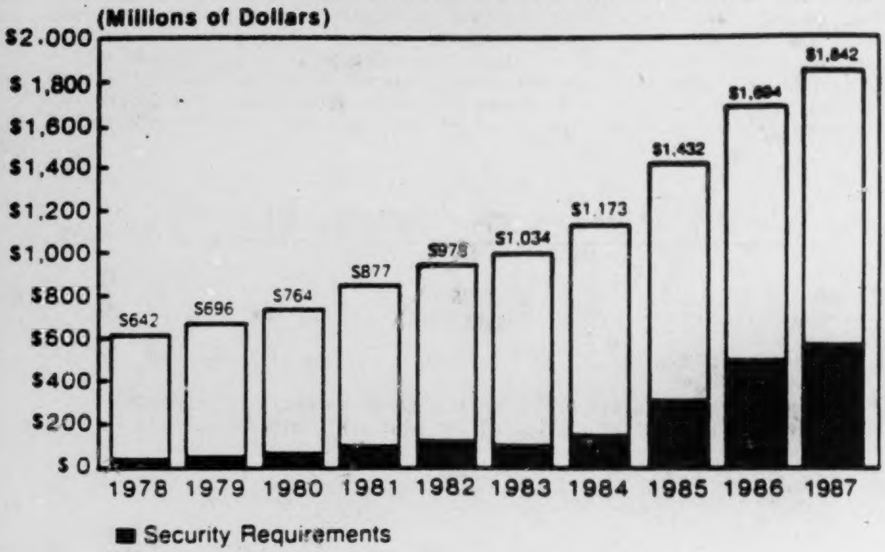
OVERVIEW

(dollars in thousands)

Appropriations	1986 Revised	1987 Request	Inc./Dec. (-) 1987
I. ADMINISTRATION OF FOREIGN AFFAIRS:			
Salaries and Expenses..................	$1,694,194	$1,841,559	$147,365
Acquisition and Maintenance of Buildings Abroad......................	791,532	1,362,120	570,588
Representation Allowances...............	4,700	4,897	197
Protection of Foreign Missions and Officials.........................	9,500	10,300	800
Counterterrorism Research and Development..........................	10,000	20,000	10,000
Emergencies in the Diplomatic and Consular Service..................	4,400	4,400	--
Payment to the American Institute in Taiwan............................	9,800	11,100	1,300
Payment to the Foreign Service Retirement and Disability Fund........	118,174	127,398	9,224
APPROPRIATIONS AND SUPPLEMENTALS TOTAL..	2,642,300	3,381,774	739,474
1986 Sequestered Amounts	-78,350		
REVISED TOTAL	2,563,950		

Department of State
Salaries and Expenses

Appropriations



Note: The 1986 information is on a comparative basis to the 1986 Congressionally enacted appropriations and the 1986 requested supplementals.

SALARIES AND EXPENSES

Our ability and capacity to execute the Foreign Policy of the United States is fundamentally dependent upon the excellence with which we conduct our diplomatic and consular relations. The Administration of our Foreign Affairs requires strength and depth, both overseas and domestically, in the critical political and economic reporting and analysis function. In addition, we must provide the administrative and technical support apparatus to include modern communications and information systems, provide security for our facilities and people, and carryout consular and passport issuance activities. The Salary and Expenses appropriation provides the resources necessary for these purposes.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$1,456,700	-$62,638	$1,394,062

NOTE: The information as presented is on a comparative basis to the 1986 Congressionally enacted appropriations plus anticipated supplementals.

Budget Summary

Budget Summary	POSITIONS	FUNDS ($000)
1986 Enacted	19,597	$1,456,700
Security Supplemental	595	237,494
1986 Estimate	20,192	1,694,194
Adjustments for One-Time Costs	--	-69,009
Current Services Adjustments	--	123,869
1987 Current Services	20,192	1,749,054
Program Changes	408	92,505
1987 Request	20,600	1,841,559

Highlights of Budget Changes

CURRENT SERVICES ADJUSTMENTS:

Annualization of 1986 Increases	
Foreign Service National Wage Increases	$ 2,002,000
New 1986 Positions	5,769,000
Overseas Price Increases	4,987,000
Other Annualization	950,000
1986 Security Supplemental	67,494,000
Total Annualization	81,202,000

Wage Increases

Within Grade Increases	$ 5,258,000
1987 Foreign Service National Wage Increases	3,903,000
Total Wage	9,161,000

Price Increases

Overseas	9,413,000
Domestic:	
General Services Administration (SLUC costs)	15,925,000
GPO Printing	215,000
Airfares	800,000
Workmen's Compensation	316,000
Seabee Pay and Allowance	268,000
Increases Related to 1986 Security Supplemental	6,569,000
Total Price	33,506,000
TOTAL INCREASES	123,869,000
1987 Current Services	**$1,749,054,000**

PROGRAM CHANGES

Management Savings	$ -11,120,000
Ongoing Security Requirements	2,000,000
Reporting and Analysis	10,000,000
Conduct of Diplomatic Relations with Micronesia	800,000
Overseas Consular	1,571,000
Overseas Administrative Support	3,557,000
Information Systems	26,570,000
Communications Program	2,000,000
Professional Development & Training	4,000,000
New Requirements as the Result of 1986 Security Supplemental	53,127,000
TOTAL PROGRAM CHANGES	92,505,000
TOTAL 1987 REQUEST	**$1,841,559,000**

Explanation of Budget Changes

The 1987 appropriation request reflects a net increase of $147,365,000 above the 1986 enacted appropriation of $1,456,700,000 and proposed Security Supplemental of $237,494,000.

Adjustments for One-Time Costs total $69,009,000 to reflect reductions for one-time requirements associated with programs and activities funded in 1986. Of this amount, $61,168,000 represents one-time costs associated with the 1986 Security Supplemental. Examples of these one-time cost items are $17,516,000 for the Perimeter Security program, $2,308,000 for a Security Training Center and $24,201,000 for the Alternate Automated Data Processing Center.

Current Services Adjustments result in an increase of $123,869,000 for uncontrollable items such as annualization of 1986 programs and mandatory wage and price increases. Included in the current services adjustments are $74,063,000 in annualization and price increases associated with the 1986 Security Supplemental.

Program changes total $92,505,000 (net) and includes management savings and enhancements to our critical programs such as: security requirements (both ongoing and those as a result of the 1986 Security Supplemental); reporting and analysis; overseas consular workload; overseas administrative support requirements; information systems; communications; and professional development and training (the new FSI facility).

CURRENT SERVICES ADJUSTMENTS............................ $ 123,869,000

ANNUALIZATION OF 1986 INCREASES.......................... $ 81,202,000

FOREIGN SERVICE NATIONAL WAGE INCREASES........................ $ 2,002,000

Provides for the estimated annualization of wage increases to be authorized during 1986 for Foreign Service National employees at posts abroad.

NEW 1986 AMERICAN POSITIONS.................................. $ 5,769,000

Reflects annualization of salary and support costs for the new American positions approved in 1986: reporting and analysis, (70); security, (140); information systems (13), and communications (20).

OVERSEAS PRICE INCREASES..................................... $ 4,987,000

The annualization of increases which are related to salaries and other operating costs, particularly rents, contractual services and utilities.

OTHER ANNUALIZATION.. $ 950,000

Includes annualization of airfares ($600,000) and ongoing maintenance of new mini-computer equipment ($350,000).

1986 SECURITY SUPPLEMENTAL................................. $ 67,494,000

This provides for the annualization of expenses associated with the 1986 Security Supplemental. This includes such major items as $6,574,000 for the Residential Security program and $21,990,000 associated with the replacement of Foreign Service National Employees at Soviet and Eastern European posts.

1987 WAGE INCREASES.. $ 9,161,000

WITHIN-GRADE SALARY INCREASE............................... $ 5,258,000

Provides for American and Foreign Service National within-grade salary increases after adjustments for promotions and personnel turnover.

FOREIGN SERVICE NATIONAL WAGE INCREASES.................... $ 3,903,000

Meets Foreign Service National wage scale increases expected in 1987 in various countries and permits us to maintain comparability with local wage needs.

1987 PRICE INCREASES..................................... $ 33,506,000

OVERSEAS... $ 9,413,000

Cost of conducting foreign affairs overseas continues to escalate with anticipated price increases being reflected in transportation, supplies, materials rents and contractual services.

DOMESTIC... $ 16,940,000

This increase in domestic prices is in accordance with the OMB deflator factor of 4.2% for such items as equipment supplies and utilities. This increase is primarily contained in the following areas:

GSA Standard Level User Charges	$15,925,000
GPO Printing	215,000
Airfares	800,000

WORKMEN'S COMPENSATION...................................... $ 316,000

The increase is attributed to the rising medical costs and other allowances for Department employees injured on the job.

SEABEE PAY AND ALLOWANCES.................................. $ 268,000

The State Department reimburses the Department of the Navy on a composite rate basis for pay, allowances and retirement accrual of the 144 Seabees currently assigned to the Naval Support Unit. The cost of this reimbursement is increasing in 1987 as a result of the projected 4% military pay raise.

1986 Security Supplemental....................................	$ 6,569,000

As a result of the 1986 Security Supplemental, $6,596,000 is required for price increases for such items as the residential security program and the protection of foreign officials in the U.S.

PROGRAM CHANGES..	$ 92,505,000
MANAGEMENT SAVINGS (-201 positions).........................	$ -11,120,000

As part of the Administration's deficit reduction program, several management savings programs are being initiated in 1987 they are as follows:

Personnelists Savings, -82 positions and -$3,120,000. In 1987 the Department plans to reduce positions in the personnel function. These efficiencies will be achieved in part through automation and realignment of work requirements.

Productivity Savings, -84 positions and -$4,000,000. As a result of productivity improvements in administrative and consular operations, in 1987 the Department will be able to save 84 positions and associated funds. These savings will be realized through the contracting out to the private sector of administrative activities and the continued automation of financial management, consular and passport operations.

Efficiencies in Constituent Post Operations, -35 positions and -$4,000,000. In 1987 as a result of productivity improvements at constituent posts and the realignment of workloads. The Department will be able to achieve savings of 35 positions and $4 million in associated salary and support costs.

ONGOING SECURITY REQUIREMENTS..............................	$ 2,000,000

Seabee pay and allowances. The Office of Diplomatic Security requires Seabees for building, construction surveillance and other security-related activities at our overseas facilities. In FY 1987, the workload of the Seabee compliment will increase as a result of additional personnel needed to complete new office buildings in Khartoum, Amman, Pretoria, San Jose, Shenyang, and Chengdu. They are also needed to install upgraded communications systems in Milan, Niamey, Banjul, Brunei and Kaduna. This increase will provide for the salary, benefits and travel expenses for additional Seabees to meet this expanded workload.

REPORTING AND ANALYSIS.. $ 10,000,000

Provides 198 positions to strengthen political and economic reporting and analysis efforts. Reporting and Analysis comprises the State Department's substantive input to the President, the Secretary, and other top Washington policy-makers. This input is the result of overt data collection and analysis in an integrated program both from some 250 posts overseas and in Washington as well as our mission to the U.N. The 1987 request includes political (121 positions), economic (55 positions), scientific (10) and executive direction (12) reporting positions in the following offices: African Affairs (36); Inter-American Affairs (32); East Asian and Pacific Affairs (36); European/Canadian Affairs (27); Near Eastern/South Asian Affairs (18); Economic and Business Affairs (5); Intelligence and Research (32); Oceans, Environmental & Scientific Affairs (5); Politico-Military Affairs (6); and the Office of the Secretary (1).

CONDUCT OF RELATIONS WITH MICRONESIA........................ $ 800,000

As a result of the recent approval of the Compact of Free Association, the Department has the responsibility of government-to-government relations with the Federated States of Micronesia and the Marshall Islands. Two positions and associated salary and support costs will be used to manage Micronesian affairs.

OVERSEAS CONSULAR WORKLOAD.................................. $ 1,571,000

To meet the projected 5.3% increase in overseas consular workload, an increase of 34 positions (13 American and 21 FSNs) is requested for the following bureaus: African Affairs (1), Near Eastern/South Asian Affairs (6), East Asian and Pacific Affairs (11), Inter-American Affairs (10), European/Canadian Affairs (6). This request is supported by workload data supplied by the various overseas consulates and embassies.

OVERSEAS ADMINISTRATIVE SUPPORT............................ $ 3,557,000

Based upon an analysis of quantified workload data and staffing trends at our overseas posts, the 1987 request totals 114 positions (32 Americans and 82 FSNs) and $3,557,000 in salary and support costs. These resources are required to support current administrative workload levels.

INFORMATION SYSTEMS (144 positions)........................ $ 26,570,000

Information systems requirements overseas include: equipment, supplies, and maintenance of systems and software ($2,410,000); American systems managers (28 positions and $1,300,000); Foreign Service systems operators (28 positions and $500,000); and the financial management system (10 positions and $300,000).

Domestic requirements include: foreign affairs information system (FAIS) (25 positions and $12,700,000); enhancement of central information systems support capability (39 positions and $4,650,000); consular systems ($1,130,000); Western Hemisphere disbursing function (10 positions and $130,000); systems managers, computer programmers and systems development for domestic bureaus (4 positions and $1,050,000) and $2,400,000 for salary and post assignment travel expenses.

COMMUNICATIONS PROGRAMS.. $ 2,000,000

Continuation of non-government owned circuits leasing program. The requirement for commercial leases at embassies stems from the National Security Telecommunications Advisory Board recommendation that the Department reduce vulnerabilities by establishing alternate routing capabilities and provide increased capabilities for future use. The 1987 program includes the lease of an additional 10 circuits.

PROFESSIONAL TRAINING AND DEVELOPMENT..................... $ 4,000,000

The Military Construction Authorization Act of 1986 authorized the Secretary of the Army to transfer Arlington Hall Station to the Secretary of State, without reimbursement, to be used as a center for the training and instruction of personnel in the field of foreign relations.

The Department's request for $4,000,000 will provide funds for: an expanded master plan for the site; completion of an environmental assessment to follow up the previously authorized studies; and other design, development, and, related studies.

**NEW REQUIREMENTS AS A RESULT OF NEW
DIPLOMATIC SECURITY PROGRAM............................. $ 53,127,000**

The 1987 increase of $53,127,000 and 117 positions reflects the requirement for the new diplomatic security program. The program components are: $27,005,000 and 5 positions for communications, primarily protection of classified office equipment, shielded enclosures and radio support; $13,764,000 and 30 positions for residential security to cover all agencies at high threat posts; $4,191,000 and 10 positions for general administration and direction; $3,473,000 and 34 positions for security training; $2,014,000 and 15 positions to manage an overseas guard program and improve the caliber of these guards; $1,324,000 and 9 positions to counter sophisticated technical penetration of our facilities abroad; and $1,356,000 and 14 positions for engineering, vehicle replacement, protective equipment, security investigations, legal financial and audit support.

1987 REQUEST $1,841,559,000

ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD

The Department's Office of Foreign Buildings (FBO) provides offices, residences and support facilities for the Foreign Affairs Agencies of the United States. Authority to construct or acquire, by purchase or lease, such properties for the Foreign Service is granted by the Foreign Buildings Act of 1926, as amended.

The 1987 appropriation request reflects an increase of $570,588,000 over the 1986 revised level of $791,532,000 primarily to improve security at our Embassies overseas. The 1987 budget includes funding for construction of 23 new office buildings to replace facilities that do not meet the established security standards.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

	1986 Enacted	1986 Sequestered	1986 Revised
ACQUISITION, DEVELOPMENT AND CONSTRUCTION	$437,323	-$5,782	$431,541
LEASEHOLD PAYMENTS	85,972	-3,393	82,579
FUNCTIONAL PROGRAM	50,255	-2,028	48,227
RELATED ACTIVITIES	81,459	-2,992	78,467
ADMINISTRATION	7,124	-296	6,828
Total, Program	662,133	-14,491	647,642
Financing:			
Unobligated Balance	-315,633	—	-315,633
Anticipated Proceeds of Sale	-9,500	-323	-9,823
TOTAL, Appropriation	$337,000	$-14,814	$322,186

Program Activities Summary

(dollars in thousands)

	1986 Revised	1987 Request a/	Increase or Decreases (-)
ACQUISITION, DEVELOPMENT AND CONSTRUCTION:			
Africa	$ 16,301	$ 130,749	$114,448
Inter-American Republics	69,364	159,791	90,427
East Asia and Pacific	11,744	53,259	41,515
Europe	116,680	471,898	355,218
Near East and South Asia	223,234	268,801	45,567
Security Support Program		60,809	60,809
Subtotal	437,323	1,145,307	707,984
1986 Sequester	-5,782		
Revised Subtotal	431,541		

a/ Includes $1,089,609 funding for security related construction projects under the new Diplomatic Security Program.

Program Activities Summary, Continued

	1986 Revised	1987 Request	Increase or Decrease (-)
LEASEHOLD PAYMENTS:	$ 85,972	$ 93,204	$ 7,232
Sequester	-3,393		
Revised Subtotal	82,579		
FUNCTIONAL PROGRAM:			
PAC Upgrade Program	22,420	12,656	-9,764
Fire/Safety Retrofit	7,791	3,550	-4,241
Energy Retrofit	2,269	1,000	-1,269
Generators	2,675	3,670	995
Seismic Retrofit	250	85	-165
Communication Center Renovations	5,732	5,820	88
Communication Center Security	9,118		-9,118
Subtotal	50,255	26,781	-23,474
Sequester	-2,028		
Revised Subtotal	48,227		
RELATED ACTIVITIES:			
Project Supervision	6,369	16,215	9,846
Minor Improvements	9,147	9,531	384
Maintenance of Buildings	41,788	43,939	2,151
Furniture/Furnishings/Equipment	22,532	15,466	-7,066
Real Estate Management System	1,623	1,599	-24
Subtotal	81,459	86,750	5,291
Sequester	-2,992		
Revised Subtotal	78,467		
ADMINISTRATION	7,124	14,278	7,154
Sequester	-296		
Revised Subtotal	6,828		
Total Program	662,133	1,366,320	704,187
Financing:			
Unobligated Balance	-315,633	--	315,633
Anticipated Proceeds of Sale	-9,500	-4,200	5,300
TOTAL, Appropriation	337,000	1,362,120	1,025,120
FY 1986 Security Supplemental	454,532	--	-454,532
Revised 1986	791,532	1,362,120	-570,588
1986 Sequester	-14,814 [1]		
TOTAL, Revised	$776,718		

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation plus proposed supplementals.

[1] Includes sequestered amount of $323,000 related to offsetting collections.

FBO Capital Program Summary
FY 1987
(dollars in thousands)

Area	Country and Post	Project	Summary			
			Prior Appro/ Proceeds	1987** Approp.	Required to Complete	Total Project
Acquisition, Development & Construction:						
AF:	Ivory Coast, Abidjan	OBC/CON	$ 1.560	$37.509		$ 39.069
	South Africa, Pretoria	OBC/ACQ/CON	837	33.298		34.135
	Uganda, Kampala	OBC/ACQ/DEV/CON	--	28.912	--	28.912
	Cameroon, Yaounde	OBC/ACQ/DEV/CON	--	29.355	--	29.355
	Cameroon, Yaounde*	SAR/SDA/PUR	--	600	--	600
	Ivory Coast, Abidjan*	SAR-3/SDA-3/PUR	--	885	--	885
	Senegal, Dakar*	SDA 2/PUR	--	190	-	190
	Subtotal, AF		2.397	130.749	--	133.146
ARA:	Belize, Belmopan	CMP/DEV/CON	430	33.062	-	33.492
	Columbia, Bogota	OBC/ACQ/DEV/CON	--	57.589	--	57.589
	Peru, Lima	OBC/ACQ/DEV/CON	-	68.640	-	68.640
	Guyana, Georgetown	EMR/ACQ/DEV/CON	--	500	-	500
	Subtotal, ARA		430	159.791		160.221
EA:	China, Beijing	OBC/ACQ/DEV	2.000	11.849	50.632	64.481
	Thailand, Chiang Mai	OBC/ACQ/DEV/CON		21.179		21.179
	Japan, Tokyo	OBC/REHAB		17.131		17.131
	Thailand, Bangkok*	SDA-6/PUR		900		900
	Hong Kong, Hong Kong*	SDA 6/PUR		1.100		1.100
	Australia, Canberra	SOR/PUR	5.400	1.100	-	6.500
	Subtotal, EA		7.400	53.259	50.632	111,291
EUR:	Turkey, Ankara	CMP/CON	2.025	46.421		48.446
	Turkey, Istanbul	COB/CMP/CON	20.185	14.782	11.000	45.967
	Germany, Bonn	SDA 420/REHAB	19.845	10.000		29.845
	Belgium, Brussels	OBC/ACQ/DEV/CON		53.814		53.814
	France, Paris	OBC/REHAB		9.692		9.692
	Greece, Athens	Site Acq		10.000		10.000
	Germany, Bonn	OBC/REHAB		19.486		19.486
	Bulgaria, Sofia	OBC/ACQ/DEV/CON		38.024		38.024
	Hungary, Budapest	OBC/ACQ/DEV/CON		51.860		51.860
	Czechoslovakia, Prague	OBC/ACQ/DEV/CON	--	71.306		71.306
	Germany, Berlin	COB/ACQ/DEV/CON		56.160		56.160
	Austria, Vienna	OBC/ACQ/DEV/CON	--	89.253		89.253
	England, London	SDA/MSG/PUR		1.100		1.100
	Subtotal, EUR		42.055	471.898	11.000	524.953
NEA:	Israel, Tel Aviv	CMP/ACQ/DEV/CON		81.423		83.423
	Jerusalem	COB/ACQ/DEV/CON		41.083		41.083
	Egypt, Alexandria	COB/ACQ/DEV/CON		24.752		24.752
	Egypt, Cairo	OBX/DEV/CON		54.608		54.608
	Morocco, Rabat	OBC/EMR/ACQ/DEV/CON		34.833		34.833
	United Arab Emirates, Abu Dhabi	OBC/DEV/CON		29.052		29.052
	Israel, Tel Aviv*	SAR 3/PUR		1.050		1.050
	Subtotal, NEA			268.801		268.801
	Subtotal FBO Capital Projects		52.282	1.084.498	61.632	1.198.412
Other Agencies						
	USAID		14.807	26.161	43.204	84.172
	USIA		15.444	30.648	51.356	97.445
	Department of Commerce		3.750	4.000	3.000	10.750
TOTAL CAPITAL PROGRAM			86,283	1,145,307	159,192	1,390,782

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* Department of Defense Staff Housing
**Diplomatic Security Projects

FBO GLOSSARY

ACQ	Site Acquisition
CGR	Consul General Residence
CMP	Compound
COB	Consulate Office Building
CON	Construction
CPU	Communication Processing Unit
DEV	Development of architectural design and engineering plans
DOD	Department of Defense
EMR	Embassy Residence
FBO	Office of Foreign Buildings Operations
GO	Government-owned
LTL	Long-Term Lease
MSG	Marine Security Guard
NOB	New Office Building
OBC	Office Building Chancery
OBX	Office Building Annex
PAC	Public Access Control
PCC	Post Communication Center
PUR	Purchase of buildings
REHAB	Rehabilitation of buildings
RELOC	Relocation of buildings to new site
RENOV	Renovation of existing buildings
SAR	Single Staff Residence
SDA	Staff Apartments
SOR	Senior Officer Residence
STL	Short-Term Lease

Explanation of Program Activities

ACQUISITION, DEVELOPMENT AND CONSTRUCTION..........................$1,145,307,000

Africa...$130,749,000

The increase of $114,448,000 is attributed to funding the construction phase of the following security related chancery building projects: Abidjan, Ivory Coast ($37,509,000); Pretoria, South Africa ($33,298,000); Kampala, Uganda ($28,912,000) and Yaounde, Cameroon ($29,355,000). The present chanceries, rented on a short term lease basis, are located in heavily populated downtown areas and do not provide adequate security. In addition, funds are requested to purchase housing for DOD staff in Yaounde, Cameroon; Abidjan, Ivory Coast and Dakar, Senegal ($1,675,000).

Inter-American Republics...$159,791,000

The increase of $90,427,000 over the 1986 amount of $69,364,000 provides a funding level for acquisition, development and construction of chanceries in Bogota, Colombia ($57,589,000) and Lima, Peru ($68,640,000). Funding is requested for construction of the Chancery in Belmopan, Belize ($33,062,000). Funding is also proposed for site acquisition and construction of an Ambassador's Residence in Georgetown, Guyana ($500,000).

East Asia and Pacific...$53,259,000

Funds are requested for the second phase of site acquisition and development of the design for a chancery in the proposed diplomatic enclave in Beijing, China ($11,849,000). Funding is requested for acquisition of a site, development of plans and construction of a new Consulate Office Building (COB) in Chiang Mai, Thailand ($21,179,000) that fully meets security requirements. To address the problems of high rental rates and provide adequate security for DOD personnel, funds for purchase of staff housing are requested as follows: Hong Kong, six units ($1,100,000) and in Bangkok, Thailand six units ($900,000). Also, funding is included for rehabilitation work on the chancery in Tokyo, Japan ($17,131,000) and for purchase of five staff residences in Canberra, Australia from anticipated proceeds of sale to replace currently leased properties ($1,100,000).

Europe...$471,898,000

The significant increase of $355,218,000 over the 1986 level of $116,680,000 is attributable to full funding requested for nine (9) major office building construction projects. These capital projects include site purchase, development of plans and construction of Chanceries to replace the present non secure and inadequate facilities in Brussels, Belgium ($53,814,000); Sofia, Bulgaria ($38,024,000); Budapest, Hungary ($51,860,000); Prague, Czechoslovakia (71,306,000); Berlin, Germany ($56,160,000) and Vienna, Austria ($89,253,000). Funds are also requested for the construction phase of the embassy compound in Ankara ($46,421,000) and the Consulate compound in Istanbul, Turkey ($14,782,000). Existing facilities at each location are old, need general rehabilitation, and neither site provides adequate setback from the street to be made sufficiently secure. Funds are also requested for rehabilitation and security upgrades for the 32 year old chancery in Bonn, Germany ($19,486,000) and the Chancery in Paris ($9,692,000). Additionally, in Bonn funds are needed for the third and final phase rehabilitation of residential buildings in the Bonn/Plittersdorf housing complex ($10,000,000). Funding is also requested to purchase a vacant lot adjacent to the Chancery in Athens, Greece ($10,000,000) for security reasons and for purchase of Marine Guard Quarters, a staff residence and two staff apartments in London, United Kingdom from anticipated proceeds of sale to replace currently leased properties ($1,100,000).

Near East and South Asia..$268,801,000

The increase in funding of $45,567,000 from the 1986 level of $223,234,000 reflects costs for the construction of Chancery building projects to meet established security standards in Tel Aviv, ($83,423,000) and Jerusalem ($41,083,000); Abu Dhabi, United Arab Emirates ($29,052,000) and, Cairo ($54,608,000) for a second building tower on the existing compound; also, Alexandria, Egypt for a new Consulate office building ($24,752,000). Funds for site acquisition, development of design plans and construction are requested for a new Chancery in Rabat, Morrocco ($34,833,000). Funds are also requested to purchase three DOD staff housing units in Tel Aviv, Israel ($1,050,000).

Security Support Program..$60,809,000

The 1987 budget request includes funding for construction, relocation and rehabilitation for security enhancement requirements of other Foreign Affairs Agencies overseas. Specifically, funds are requested for new construction and rehabilitation of USAID facilities ($26,161,000); relocation and security upgrades for USIA offices, libraries, Cultural Centers and VOA relay stations ($30,648,000), and security site surveys, perimeter upgrades and installation of Public Access Controls (PAC) at commercial offices for the Department of Commerce ($4,000,000).

LEASEHOLD PAYMENTS..$93,204,000

The increase over 1986 obligation level of $7,232,000 is comprised principally of short-term residential leases for newly established overseas positions, multi-year lease payments and inflation.

FUNCTIONAL PROGRAMS...$26,781,000

Public Access Control Upgrade Program (PAC)...........................$12,656,000

Funding of $12,656,000 is required for the PAC program at posts which will not be covered in the Diplomatic Security Program.

Fire/Safety Retrofit..$3,550,000

The $3,550,000 requested will maintain the fire protection program for priority upgrades of existing physical structures to enhance fire safety features required for government-owned and leased buildings overseas.

Energy Retrofit...$1,000,000

The $1,000,000 requested will allow this program to maintain the Energy Conservation Investment Program at overseas posts.

Generators..$3,670,000

The increase of $995,000 over the 1986 is required to replace generators at posts world wide where an alternate power source is critical in countries lacking sufficient infrastructure, particularly in Africa.

Seismic Retrofit..$85,000

Funding of $85,000 is requested in 1987 to conduct structural analysis and prepare plans for earthquake retrofit at five locations overseas.

Communication Center Renovations................................$5,820,000

Funds requested maintain the 1986 level of activity to obtain design, construction, electrical materials, and emergency generators to complete renovations at six posts during FY 1987.

RELATED ACTIVITIES...$86,750,000

Project Supervision..$16,215,000

An increase of $9,846,000 over the 1986 level of $6,369,000 is required for contract American project manager positions and local support costs needed for management of capital projects.

Minor Improvements..$9,531,000

An increase of $384,000 for inflation maintains the 1986 level for improvements to existing buildings and facilities.

Maintenance of Buildings.......................................$43,939,000

The 1987 request of $43,939,000 includes an increase of $2,151,000 for inflation to maintain the same level of activity for maintenance and repair of overseas properties.

Furniture, Furnishings and Equipment...........................$15,466,000

The net decrease in 1987 of $7,066,000 is due primarily to the decrease in the number of capital projects requiring initial furniture and furnishings.

Real Estate Management System (REMS)............................$1,599,000

The increase of $64,000 for inflation reflects continuing costs for the technical support utilized in implementing REMS.

ADMINISTRATION...$14,278,000

These funds are requested for ongoing Foreign Buildings Program ($7,640,000) administrative support and for the Overseas Diplomatic Security Construction Program ($6,638,000).

REPRESENTATION ALLOWANCES

The Representation Allowance is an essential element of diplomatic functions including our reporting and analysis effort, and is critical to informed formulation and execution of U.S. Foreign Policy. This appropriation reimburses authorized expenditures made by diplomatic personnel abroad and at missions to international organizations in the U.S. for establishing and maintaining contacts with officials of other governments and prominent members of the local community.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$4,700	-$202	$4,498

Program Activities Summary

(dollars in thousands)

Activities	1986 Revised	1987 Request	Increase or Decrease (-)
Promotion of U.S. National Interests...	$3,595	$3,746	$ 151
Protection of U.S. Citizens Interests..	221	230	9
Promotion of Economic Activities.......	650	677	27
Commemorative & Ceremonial Requirements	234	244	10
Appropriation Total....................	$4,700	$4,897	$ 197
1986 Sequestered Amount...............	-202		
Revised Total.........................	$4,498		

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation.

Explanation of Program Activities

CURRENT SERVICES ADJUSTMENTS..$197,000

The built-in increase of $197,000 will offset increasing overseas prices for food and labor associated with representational activities.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

United States efforts to meet obligations under the Vienna Convention to protect foreign officials are administered by the Office of Diplomatic Security. Reimbursements to state and local governments and contracting for services of private firms for increased protection of foreign missions and officials in the United States are provided for in the appropriation.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$9,500	-$409	$9,091

Program Activities Summary

(dollars in thousands)

Activities	1986 Revised	1987 Request	Increase or Decrease (-)
Protection of Foreign Missions and Officials of the United Nations....	$7,000	$7,600	$600
Protection of Foreign Missions and Officials Throughout the United States..............	2,500	2,700	200
Appropriation Total..................	$9,500	$10,300	$800
1986 Sequestered Amount..............	-409		
Revised Total....................	$9,091		

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation.

Explanation of Program Activities

Protection of Foreign Missions and Officials of the United Nations $7,600,000

The Department's authority to reimburse New York City for the protection of foreign missions and officials accredited to the United Nations and other international organizations is contained in Public Law 94-196. In FY 1987, up to $7,600,000 will be reimbursed to New York City for static guard posts and security escort and motorcade services to the foreign missions and personnel assigned to the United Nations. An increase of $600,000 is requested for price increase.

Protection of Foreign Missions and Officials Throughout the U.S. $2,700,000

Under the Foreign Missions Act of 1982, protection for foreign diplomats and their facilities throughout the United States can be arranged where necessary, either at the request of a foreign mission or at the initiative of the Secretary of State. In those instances in which state and local authorities cannot provide the protection required, the Foreign Missions Act enables the Department to employ the services of private security firms. In 1987, $2,700,000 is estimated for these extraordinary security expenses. The increase of $200,000 is requested for price increases.

COUNTERTERRORISM RESEARCH AND DEVELOPMENT

The Counterterrorism Research and Development Program, authorized in 1986, is a response to the alarming increase in international terrorist activity (e.g.; hijackings, bombings, hostage-taking, kidnapping and assassinations). This program will be administered by the Department and will be supporting the Interdepartmental Group on Terrorism (IG/T).

Program Activities Summary

(dollars in thousands)

	1986 Supplemental	1987 Request	Increase or Decrease (-)
Counterterrorism R&D	$10,000	$20,000	$10,000

Explanation of Program Activities

Counterterrorism Research and Development..................... $20,000,000

Improvement in our ability to combat terrorism is highly dependent on our utilization of advanced technology. Much of this technology can be derived from already proficient U.S. agencies. These funds would provide for special interagency counterterrorism research and development activities. The sensitive nature of the activities carried out under this program are aimed at countering the international terrorist activities.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

It is essential to the furtherance and protection of United States interests abroad that funds are made available in a timely manner for emergency requirements in the conduct of foreign affairs and for relief and repatriation loans to destitute American citizens overseas. Repayments of loans are deposited to miscellaneous receipts of the Treasury.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$4,400	-$189	$4,211

Program Activities

(dollars in thousands)

Activities	1986 Revised	1987 Request	Increase or Decrease (-)
Regular Annual Requirements.......	$3,700	$3,700	$ --
New Repatriation Loans............	700	700	--
Appropriation Total...............	$4,400	$4,400	$ --
1986 Sequestered Amount...........	-189		
Revised Total.....................	$4,211		

BUYING POWER MAINTENANCE

The Buying Power Maintenance appropriation provides standby budget authority to maintain approved levels of activities under rapidly changing economic conditions. Economic conditions which can have a direct adverse impact on the Department of State's overseas budget include price inflation, wage increases and exchange rate fluctuations. To the extent that wage and price increases are unbudgeted, the Department's buying power deteriorates. Also, adverse exchange rate fluctuations can result in large operating deficits. The fund is currently limited to the following countries where available data is most accurate and the impact on our appropriation is likely to be the greatest: Austria, Belgium, Canada, Denmark, Finland, France, Federal Republic of Germany, Italy, Japan, Netherlands, New Zealand, Norway, Spain, Sweden, Switzerland and the United Kingdom.

Program Activities

(dollars in thousands)

Year	Opening Balance	Appropriation	Transfers in/out(-)	Net Cumulative Balance
1982	$ --	$ 1,500	$ 200	$ 1,700
1983	1,700	4,500	10,994	17,194
1984	17,194	--	4,815	22,009
1985	22,009	--	-673	21,336
1986	21,336	--	-8,992	12,344
1987	12,344	--	--	12,344

Explanation of Budget Changes

The Department is not seeking an appropriation increase in 1987.

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

The Taiwan Relations Act (P.L. 96-8) requires that programs with respect to Taiwan be carried out by or through the American Institute in Taiwan and authorizes appropriated funds to the Secretary of State to execute the Act's provisions. The Institute administers programs in the areas of economic and commercial services, cultural affairs, travel services, general affairs and logistics.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$9,800	-$421	$9,379

Program Activities Summary

(dollars in thousands)

Activity	1986 Revised	1987 Request	Increase or Decrease (-)
Economic/Commercial Services	$1,252	$ 1,266	$ 14
Travel Service..............	1,162	1,200	38
Cultural & Info. Services....	1,709	1,737	28
Other Services..............	4,852	5,999	1,147
Washington Office...........	825	898	73
Appropriation Total......	$9,800	$11,100	$1,300
1986 Sequestered Amount.....	-421		
Revised Total...........	$9,379		

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation.

Explanation Of Program Activities

To support the activities of the Institute in 1987, the request of $11,100,000 includes increases totaling $1,300,000. An increase of $171,000 for within grade and foreign national wage increases, as well as $350,000 to implement the foreign national retirement plan is required for personnel support. Price increases of $250,000 are also required. Additionally, security enhancements of $200,000, information systems improvements of $154,000, and other program increases of $175,000 are required to maintain adequate support for AIT activities.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

The Foreign Service Act of 1980 (Public Law 96-465) requires payments to the Foreign Service Retirement and Disability Fund, in thirty equal annual installments, of the amount required for the unfunded liability created by new or liberalized benefits, new groups of beneficiaries, or increased salaries on which benefits are computed. This Act also authorizes an appropriation to the Fund to finance, for each fiscal year, the amount of the Foreign Service annuity cost (i.e., normal cost) for current participants which is not met by employee and employer contributions.

Budget Summary

1986 Appropriation	$118,174,000
1987 Current Estimate	118,174,000
Current Services Adjustments	9,224,000
1987 Request	127,398,000[a]

Explanation of Budget Changes

CURRENT SERVICES ADJUSTMENTS................................ $9,224,000

The 1987 increase of $9,224,000 is required to maintain the balance of the Foreign Service normal cost which is defined as the difference between the employer and employee contributions to the Retirement Fund and the amount necessary to pay future benefits currently being earned by participants in the system.

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[a] The estimate does not reflect the impact of proposed legislation.

II. INTERNATIONAL ORGANIZATIONS AND CONFERENCES

OVERVIEW

(dollars in thousands)

Appropriations	1986 Revised	1987 Request	Inc/Dec(-) 1987
II. INT'L ORGANIZATIONS & CONFERENCES:			
Contributions to International Organizations........................	$463,000	$432,930	-$30,070
Contributions for International Peacekeeping Activities..............	29,400	53,900	24,500
International Conferences and Contingencies........................	6,000	6,391	391
APPROPRIATIONS TOTAL..................	498,400	493,221	-5,179
1986 Sequestered Amounts..............	-21,431		
Revised TOTAL.........................	476,969		

Contributions to International Organizations

The United States' membership in select international organizations, which has been authorized by conventions, treaties or specific acts of Congress, constitutes a legal obligation for payment of the U.S. share of an assessed budget. For fiscal year 1987, this appropriation provides partial requirements for the United States' share of the costs of the United Nations, ten of its specialized agencies and the International Atomic Energy Agency; six Inter-American Organizations; five regional organizations; and twenty-three other international organizations.

Balanced Budget and Emergency Deficit Control Act of 1986

(dollars in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$463,000	-$19,909	$443,091

Budget Summary

1986 Enacted	$463,000
Current Services Adjustments	-30,070
1987 Request	$432,930

Activities	1986 Revised	1987 Request	Increase or Decrease (-)
UNITED NATIONS AND AFFILIATED AGENCIES:			
Food and Agriculture Organization	$36,760	$39,694	$2,934
International Atomic Energy Agency	19,503	20,702	1,199
International Civil Aviation Organization	7,606	7,871	265
International Labor Organization	31,606	32,192	586
Intergovernmental Maritime Consultative Organization	507	527	20
International Telecommunication Union	3,302	2,989	-313
United Nations	180,901	193,501	12,600
United Nations Industrial Development Organization	---	12,745	12,745
Universal Postal Union	556	467	-89
World Health Organization	61,146	61,719	573
World Intellectual Property Organization	497	431	-66
World Meteorological Organization	4,712	4,447	-265
Section 143 Withholding P.L. 99-93	---	-79,134	-79,134
Subtotal	347,096	298,151	-48,945

Activities	1986 Revised	1987 Request	Increase or Decrease (-)
INTER-AMERICAN ORGANIZATIONS:			
Inter-American Indian Institute..........	$ 104	$ 104	$ --
Inter-American Institute for Cooperation on Agriculture............................	9,639	12,682	3,043
Organization of American States..........	31,072	42,554	11,482
Pan American Health Organization.........	26,138	33,410	7,272
Pan American Institute of Geography and History............................	322	331	9
Pan American Railway Congress Association	25	25	--
Subtotal...........................	67,300	89,106	21,806
REGIONAL ORGANIZATIONS:			
Colombo Plan Council for Tech. Cooperation	9	9	--
North Atlantic Assembly..................	380	339	-41
North Atlantic Treaty Organization.......	17,707	16,595	-1,112
Org. for Econ. Cooperation & Development.	21,403	19,908	-1,495
South Pacific Commission.................	469	525	56
Subtotal...........................	39,968	37,376	-2,592
OTHER INTERNATIONAL ORGANIZATIONS:			
Bureau of International Expositions......	16	13	-3
Customs Cooperation Council..............	1,476	1,428	-48
General Agreement on Tariffs and Trade...	4,042	3,659	-383
Hague Conference on Private Int'l Law....	40	35	-5
Int'l Agency for Research on Cancer......	631	646	15
International Bureau of the Permanent Court of Arbitration.................	7	6	-1
International Bureau of the Publication of Customs Tariffs.....................	42	37	-5
Int'l Bureau of Weights and Measures.....	361	327	-34
Int'l Center for Study of Preservation and Restoration of Cultural Property...	334	334	--
International Coffee Organization........	553	584	31
International Cotton Advisory Committee..	123	133	10
International Hydrographic Organization..	50	55	5
International Institute for Unification of Private Law.......................	55	48	-7
International Jute Organization..........	--	117	117
Int'l Lead and Zinc Study Group..........	24	22	-2
International Natural Rubber Org.........	161	184	23
International Office for Epizootics......	45	39	-6
Int'l Organization for Legal Metrology...	53	48	-5
International Rubber Study Group.........	40	36	-4
International Seed Testing Association...	4	3	-1
Interparliamentary Union.................	345	309	-36
Maint. of Certain Lights in the Red Sea..	21	18	-3
World Tourism Organization...............	213	216	3
Subtotal...........................	8,636	8,297	-339
Appropriation Total..................	$463,000	$432,930	-$30,070
1986 Sequestered Amount..................	-19,909		
Revised Total........................	$443,091		

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation.

Explanation of Program Activities

CURRENT SERVICES ADJUSTMENT...$30,070,000

The net decrease of $30,070,000 results from increased assessments totaling $52,988,000 offset by decreases totaling $83,058,000 which result from the following factors: Primarily the results of the applications of Public Law 99-93, Section 143, which reduces the request for the UN and Affiliated Agencies by $79,134,000 so that the U.S. assessed contribution does not exceed twenty percent of the assessed budget for any organization within that group, with the exception of the International Atomic Energy Agency (IAEA); tax equalization fund reductions to the Food and Agriculture Organization (FAO), the United Nations (UN), the World Health Organization (WHO) and the Pan American Health Organization (PAHO); and the effects of exchange rate losses in those organizations where the United States pays its assessment in a foreign currency. A more specific description follows:

UNITED NATIONS AND AFFILIATED AGENCIES............................-$48,945,000

Total requirements for the United Nations, ten of its specialized agencies and the International Atomic Energy Agency amount to $298,151,000 for fiscal year 1987, primarily for U.S. requirements toward calendar year 1986 assessments.

Increases total $30,922,000, the major ones being:

United Nations Industrial Development Organization ($12,745,000) - This increase reflects the establishment of UNIDO as a separate specialized agency of the United Nations. Previously, UNIDO was included in the UN budget.

United Nations ($12,600,000) - The UN's overall 1986/1987 budget represents an increase of approximately 10.6 percent. Of this amount, 10.5 percent is due to inflation and 0.1 percent to real growth.

Food and Agriculture Organization ($2,934,000) - The FAO's 1986/1987 working budget represents an increase of 3.8 percent of which 2.5 percent is attributable to wage and price increases and 1.3 percent to net real growth.

International Atomic Energy Agency ($1,199,000) - The organization has an expenditure budget which reflects an increase of approximately 3.85 percent for the calendar year 1986. This increase is due primarily to inflation. The budget provides for negative real growth of 0.2 percent.

Decreases totaling $79,867,000 are as follows:

Public Law 99-93, Section 143 (-$79,134,000) - This reflects the reduction of U.S. contributions to the UN and Affiliated Agencies. This amendment restricts U.S. contribution to not more than twenty percent of the assessed budget for any organization within this group, with the exception of the International Atomic Energy Agency (IAEA).

Exchange Rate Losses (-$733,000) - This decrease is primarily attributable to the effects of exchange rate losses in those organizations where assessments are made in a foreign currency.

INTER-AMERICAN ORGANIZATIONS...$21,806,000

Total requirements for fiscal year 1987 amount to $89,106,000 for the six Inter-American Organizations.

Beginning with calendar year 1986, the United States proposes to defer payment of twenty-five percent of our assessment (the fourth quarter payment) to the next U.S. fiscal year for the following Inter-American organizations: Inter-American Institute for Cooperation on Agriculture (IICA), Organization of American States (OAS) and Pan American Health Organization (PAHO).

The $21,806,000 increase for this group is the net result of: a $9,000 increase due to inflation in the Pan American Institute of Geography and History (PAIGH); and net increases totaling $21,797,000 in IICA ($3,043,000), OAS ($11,482,000) and PAHO ($7,272,000). The net increase of $21,797,000 is the result of a reduction of $165,000 due to changes in tax reimbursement estimates between 1986 and 1987 and an increase of $21,962,000 related to the calendar year 1986 deferrals.

REGIONAL ORGANIZATIONS...-$2,592,000

Total requirements for the five regional organizations come to $37,376,000, representing a decrease of $2,592,000 from FY 1986.

The net decrease for this group is the result of an increase of $56,000 attributable to inflation in the South Pacific Commission and the effects of anticipated exchange rate losses in our contribution to the North Atlantic Assembly (NAA) ($41,000), and the Organization for Economic Cooperation and Development (OECD) ($1,495,000).

In addition, there is a net decrease of $1,112,000 in our assessment to the North Atlantic Treaty Organization (NATO). This decrease to NATO is the result of the U.S. policy that, starting in calendar year 1986, ten percent of the U.S. contribution will be deferred to the next U.S. fiscal year. This deferral action results in a net estimated increase in our FY 1987 assessment of $1,533,000 which is in turn offset by projected exchange rate losses of $2,645,000.

OTHER INTERNATIONAL ORGANIZATIONS..................................-$339,000

Requirements for the twenty-three other International Organizations total $8,297,000, a net decrease of $339,000 from fiscal year 1986.

Increases totaling $204,000 include the transfer of the International Jute Organization ($117,000) from the International Conferences and Contingencies appropriation, with the remaining balance ($87,000) attributable to inflation in six of the organizations.

Decreases total $543,000 as a result of exchange rate losses to organizations where the United States pays its assessment in a foreign currency.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

The United States' assessment of the costs of the United Nations Interim Force in Lebanon (UNIFIL) and the United Nations Disengagement Observer Force on the Golan Heights (UNDOF) are provided for in this appropriation. These groups were established by the U.N. Security Council to maintain a ceasefire and contribute to an atmosphere in which negotiations could take place between the conflicting parties.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$29,400	-$1,264	$28,136

Program Activities Summary

(dollars in thousands)

Activities	1986 Revised	1987 Request	Increase or Decrease (-)
UNIFIL....................	$18,000	$42,881	$24,881
UNDOF.....................	11,400	11,019	-381
Appropriation Total.....	$29,400	$53,900	$24,500
1986 Sequestered Amount.....	-1,264		
Revised Total..........	$28,136		

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation.

Explanation of Program Activities

The current six-month mandate for UNIFIL runs through April 18, 1986. Included in the 1987 request for UNIFIL is funding for two consecutive mandate periods.

It is expected that UNDOF's mandate will be renewed at six-month intervals through 1987.

INTERNATIONAL CONFERENCES AND CONTINGENCIES

The appropriation finances the United States' participation in multilateral intergovernmental conferences and contributions to new or provisional international organizations. The basic objective of this activity is to assure that the United States is represented at international fora by effective and efficient delegations formed to attain U.S. policy objectives. The principal expenses of international conference participation are the travel, per diem and support costs of the United States delegations and administrative expenses when the United States serves as host for international conferences. Also included in this appropriation are the expenses of Congressional delegations to four international parliamentary groups: the Interparliamentary Union; North Atlantic Assembly; U.S.-Mexico Interparliamentary Group; and the U.S.-Canada Interparliamentary Group.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$6,000	-$258	$5,742

Program Activities Summary

(dollars in thousands)

Activities	1986 Revised	1987 Request	Increase or Decrease (-)
Participation in International Conferences:			
Meetings of International Organizations..	$4,945	$4,520	-$425
Meetings of Interparliamentary Unions....	240	240	--
Other International Conferences..........	2,665	2,431	-234
Subtotal...............................	7,850	7,191	-659
Contributions to New or Provisional Orgs.:			
UN Memorial Cemetery Commission	45	48	3
Union for Protection of New Varieties of Plants............................	85	86	1
International Wheat Council..............	155	162	7
International Sugar Organization.........	138	144	6
International Jute Organization..........	78	--	-78
International Office of the Vine and Wine	15	16	1
International Tropical Timber Organization	173	96	-77
Subtotal............................	689	552	-137
Estimate................................	8,539	7,743	-796
Net Change in Unobligated Balance........	-2,539	-1,352	1,187
Appropriation Total.....................	$6,000	$6,391	$ 391
1986 Sequestered Amount..................	-258		
REVISED TOTAL.........................	$5,742		

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation.

Explanation of Program Activities

1987 Request..$6,391,000

The 1987 program level of $7,743,000 is partially offset by the $1,352,000 unobligated balance carried forward from 1986.

Participation in International Conferences..........................$7,191,000

Participation in international conferences furthers national objectives, the scope of which is reflected in the variety of conference activities such as disarmament, North-South relations, trade, energy, raw materials, the environment, communications, fisheries, industrial products and civil aviation. Management of this participation is centralized in the Bureau of International Organization Affairs whose goal is to field, for recognized multilateral intergovernmental conferences, delegations which are effective, representative and of minimal size.

Contributions to New or Provisional International Organizations......$552,000

The International Conferences and Contingencies appropriation funds United States contributions to international organizations in which U.S. participation is new, or provisional, pending ratification by the Senate.

UN Memorial Cemetery Commission - $48,000 is requested for the U.S. share of the maintenance and administrative expenses of the cemetery in Korea.

The Union for the Protection of New Varieties of Plants - $86,000 to encourage the development of new plant varieties by affording legal protection for new varieties for a limited time. The Union is based on the International Convention for the Protection of New Varieties which was signed in 1961 and revised in 1978.

The International Wheat Council (IWC) - $162,000 to achieve stability in international wheat markets, to promote the expansion of international trade in wheat and flour and, in general, to further international cooperation with regard to world wheat problems.

The International Sugar Organization - $144,000 to stabilize world sugar prices through a combination of export quotas and nationally held stocks. The U.S. imports 50 percent of its domestic consumption, and stabilization of the world price is critical to the stabilization of sugar prices within the United States.

The International Jute Organization - Designed to improve product competitiveness, rather than stabilizing prices, through sponsorship of voluntarily funded projects aimed at research and development, product promotion and price reduction. The U.S. is the largest importer of jute and jute products. In 1987, the International Jute Organization will be transferred to the Contributions to International Organizations Appropriation.

The International Office of the Vine and Wine (O.I.V.W.) - $16,000 to monitor the economic and technical issues concerning wine treatment, packaging and labeling, import documentation and licensing provisions and advertising practices. The United States is the fifth largest importer and the fifteenth largest exporter of wine.

International Tropical Timber Organization - $96,000 to provide statistical data and marketing information to facilitate trade in tropical timber and to prevent the depletion of tropical timber resources.

III. INTERNATIONAL COMMISSIONS

OVERVIEW

(dollars in thousands)

Appropriations	1986 Revised	1987 Request	Inc/Dec(-) 1987
III. INTERNATIONAL COMMISSIONS:			
Int'l Boundary & Water Commission:			
Salaries and Expenses.................	$11,300	$10,600	-$700
Construction..........................	2,257	4,200	1,943
Total, IBWC, U.S. & Mexico.........	13,557	14,800	1,243
American Sections:			
International Boundary Commission.....	747	760	13
International Joint Commission........	3,008	3,140	132
Total, Am. Sec., U.S. & Canada.....	3,755	3,900	145
International Fisheries Commissions.....	11,300	11,000	-300
APPROPRIATIONS TOTAL..................	28,612	29,700	1,088
1986 Requested Amounts................	-1,230		
REVISED TOTAL.........................	27,382		

INTERNATIONAL BOUNDARY AND WATER COMMISSION - UNITED STATES AND MEXICO

The International Boundary and Water Commission (IBWC) is responsible, through a series of treaties between the United States and Mexico, for exercising the rights and obligations the two Governments have assumed for the solution of boundary problems requiring joint engineering action. The principal actions in which the IBWC is engaged are: distribution between the two countries of international river waters; international flood control operations; joint conservation and improvement of international river water quality; solution of border sanitation problems; development of hydroelectric energy; maintenance of the river boundary; and demarcation of the land boundary. The activities performed by the United States Section are related to U.S. treaty obligations, general policy determinations by the President and the Secretary of State, and authorities granted by Congress.

Salaries and Expenses

The salaries and expenses appropriation funds, jointly with Mexico, the ongoing operation and maintenance of completed projects, technical guidance and supervision of the distribution of boundary water, administration of treaties and agreements, and progress toward solving current problems such as border sanitation.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$11,300	-$486	$10,814

Program Activities Summary

(dollars in thousands)

Activities	1986 Revised	1987 Request	Increase or Decrease(-)
General Administration.......	$1,378	$1,476	$98
Engineering..................	1,468	1,560	92
Operation and Maintenance:			
Gaging Stations............	1,189	1,268	79
Dams......................	1,481	1,577	96
River Channel & Levee......	4,236	4,355	119
Water Quality Control......	1,521	336	-1,185
Boundary..................	27	28	1
Appropriation Total......	$11,300	$10,600	-$700
1986 Sequestered Amount......	-486		
Revised Total............	$10,814		

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation.

Explanation of Program Activities

PROGRAM CHANGES... -$ 700,000

Funds for payment to the City of San Diego for treatment to Tijuana sewage have been non-recurred since the current agreement will expire in December 1986 ($1,200,000). Negotiations are underway regarding a new agreement. This non-recurral is offset by an increase of $15,000 in grants and subsidies. Additionally, increases are requested for benefits ($90,000) and utilities, supplies, materials, equipment, travel and transportation ($395,000).

CONSTRUCTION

This appropriation finances the construction activities of the United States Section of the International Boundary and Water Commission in fulfillment of obligations established by treaties and other agreements between the United States and Mexico and Acts of Congress. The projects performed jointly by the two countries are principally sanitation facilities, flood control dams on the Rio Grande and flood control works on the Rio Grande and Tijuana Rivers.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$2,257	-$97	$2,160

Program Activities Summary

(dollars in thousands)

Activities	1986 Revised	1987 Request	Increase or Decrease(-)
Tijuana Flood Control Project...........	$ 89	$	-$ 89
1970 Boundary Treaty Project............	2,138	1,200	-938
Rio Grande Canalization Project.........	740	--	-740
Amistead Dam............................	300	--	-300
Nogales Int'l Wastewater Treatment Plant	1,165	3,000	1,835
New River Project.......................	599		-599
Obligations.............................	5,031	4,200	-831
Financing: Unobligated Balance..........	-2,774		2,774
Appropriation Total..................	$2,257	$4,200	$1,943
1986 Sequestered Amount.................	-97		
Revised Total........................	$2,160		

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation.

Explanation of Program Activities

1987 Request..$4,200,000

The 1987 request funds two program activities totaling $4,200,000: The 1970 Boundary Treaty Project ($1,200,000); Nogales International Wastewater Treatment Plant ($3,000,000).

1970 BOUNDARY TREATY PROJECT...$1,200,000

The 1970 Boundary Treaty provides for the resolution of all pending disputes over the international boundary along the Rio Grande due to changes in its course. Further, the Treaty charges the International Boundary and Water Commission with preserving the character of the Rio Grande and Colorado River as the international boundary and provides for construction of works to avoid future disputes.

Work programmed for 1987 involves the restoration and preservation of the Rio Grande as the international boundary between Fort Quitman and Presidio, Texas. The channel has been nearly obliterated in places by accumulation of silt and growth of vegetation. Funds are used to excavate the channel and to preserve the wildlife refuge areas as required by the environmental impact statement. The project is planned for completion in 1987 when an additional $1,200,000 requirement is projected, for a U.S. total cost of $26,284,000. The total project's costs are shared equally with Mexico.

NOGALES INTERNATIONAL WASTEWATER TREATMENT PLANT.....................$3,000,000

The Nogales International Wastewater Treatment Plant, authorized by the Act of August 19, 1935, was originally constructed by the two countries in 1951. In December 1971, a new enlarged plant was completed to meet the needs of the increasing population of the two cities and EPA standards at that time with the United States Government, the Government of Mexico and the city of Nogales, Arizona, contributing to the cost.

The populations of the two cities have increased so rapidly that the capacity of the existing plant needs expansion. Funding of $3,000,000 is requested to complete the plant expansion. The project is scheduled to be completed in 1987 at an estimated total cost of $4,100,000 for the United States Government portion.

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

The United States share (approximately 50%) of the U.S.-Canadian International Boundary Commission (IBC) and International Joint Commission (IJC) is funded by this appropriation.

1. The International Boundary Commission, mandated by treaty, maintains an effective boundary line between the two countries. Boundary monuments are kept in good repair; monuments, markers and buoys are established where necessary; and the 20-foot border strip is kept clear of timber and brush to effectively demark the boundary. In 1987, the IBC will: inspect boundary monuments along a 50 mile segment of the Maine-Quebec border; establish 40-50 second-order control survey points along a 300-mile segment of the Minnesota/North Dakota-Manitoba border; and apply new fluorescent material to 43 range marks which reference the boundary turning points in the Passamaquoddy Bay on the Maine-New Brunswick border. The third year of the four-year program to issue revised official boundary maps will continue. Also, the last of the three field offices along the International Boundary will be established in northern Minnesota.

2. The International Joint Commission regulates and investigates levels and flows of boundary waters, pollution abatement, water quality control and related matters of mutual concern to the governments of the United States and Canada. Principal activities now reflect expanded efforts to stop pollution in the Great Lakes Basin by coordinating and monitoring programs established under the Great Lakes Water Quality Agreement. Programs include: regulating the water levels of Superior, Ontario, Rainy and Osoyoos Lakes; issuing biennial report concerning Great Lakes water quality; surveying transboundary air pollution; and investigating the potential transboundary water quality effects of a proposed coal mine in British Columbia.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

	1986 Enacted	1986 Sequestered	1986 Revised
International Boundary Commission..	$ 747	-$ 32	$ 715
International Joint Commission.....	3,008	- 129	2,879
Total........................	$3,755	-$161	$3,594

Program Activities Summary

(dollars in thousands)

Activities	1986 Revised	1987 Request	Increase or Decrease (-)
International Boundary Commission....	$ 747	$ 760	$ 13
International Joint Commission:			
U.S. Section.......................	2,315	2,482	167
Special & Technical Investigations by Geological Survey.............	520	485	-35
New Referrals Start-up Fund........	173	173	--
Subtotal, IJC......................	3,008	3,140	132
Appropriation Total..............	$3,755	$3,900	$145
1986 Sequestered Amount..............	-161		
Revised Total....................	$3,594		

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation.

Explanation of Program Activities

PROGRAM CHANGES...$145,000

INTERNATIONAL BOUNDARY COMMISSION..................................$13,000

IBC field teams will be working in less rough and remote terrain under less hazardous and costly working conditions during FY 1987. As a result of this, less overtime, hazardous duty pay, and helicopter support will be required which will result in a decrease of $61,000. This decrease is offset by an increase of $74,000 which will include: wage increases ($1,000), within grade increases ($3,000), leasing of vehicles for field offices ($14,000), and printing of U.S.-Canada boundary maps ($56,000).

INTERNATIONAL JOINT COMMISSION..$132,000

U.S. Section...$167,000

Increases of $167,000 include: annualized costs for personnel benefits ($3,000); Federal wage increases ($3,000); within-grade increases ($8,000); other Federal (Canadian) wage increases ($9,000); domestic price increases ($11,000); the continuation of ongoing reference work ($30,000); consulting fees for Science Advisory Board members ($15,000); an Economics Program Capability Study ($50,000); and a groundwater study on pollution from leaking toxic waste dump sites ($38,000).

Special and Technical Investigations by Geological Survey...........-$35,000

A decrease of $40,000 is for the one-time cost of reconstructing a major gauging station in the Souris River Basin. Increases include $3,000 for within-grade increases and $2,000 for price increases.

INTERNATIONAL FISHERIES COMMISSIONS

The International Fisheries Commissions provides for the United States' share of expenses for eleven international fisheries commissions, the International Council for the Exploration of the Sea and expenses for the U.S. Commissioners. The commissions determine or recommend measures necessary for the preservation and expansion of fishery stocks. Membership in these organizations provides a forum for discussions between the U.S. and other fishing nations on problems of mutual interest.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$11,300	-$486	$10,814

Program Activities Summary

Activities	1986 Revised	1987 Request	Increase or Decrease (-)
International Pacific Halibut Commission.	$ 753	$ 792	$ 39
International Pacific Salmon Fish. Comm..	464	--	-464
Int'l-American Tropical Tuna Commission..	2,652	2,788	136
International Whaling Commission.........	57	57	--
Int'l. North Pacific Fish. Commission....	107	107	--
Great Lakes Fishery Commission...........	4,736	4,712	-24
North Pacific Fur Seal Commission........	13	10	-3
International Commission for the Conservation of Atlantic Tunas.........	68	68	--
Northwest Atlantic Fisheries Organization	63	48	-15
U.S./Canada Pacific Salmon Commission....	2,225	2,256	31
Commission for Conservation of Antarctic Marine Living Resources......	50	50	--
North Atlantic Salmon Conservation Organ.	12	12	--
International Council for the Exploration of the Sea.............	56	56	--
Expenses of the U.S. Commissioners.......	44	44	--
Appropriation Total..................	$11,300	$11,000	$ -300
1986 Sequestered Amount..................	-486		
Revised Total.........................	$10,814		

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation.

Explanation of Program Activities

CURRENT SERVICES ADJUSTMENTS...-$300,000

The overall decrease reflects a funding reduction resulting from the termination of the International Pacific Fisheries Commission and other miscellaneous operating decreases totaling $506,000 which are offset by U.S. assessment increases of $206,000 in the operating expenses of the various international fisheries commissions.

IV. RELATED APPROPRIATIONS

OVERVIEW

(dollars in thousands)

Appropriations	1986 Revised	1987 Request	Inc/Dec(-) 1987
IV. RELATED APPROPRIATIONS			
U.S. Bilateral Science and Technology Agreements................	$2,000	$2,000	$--
The Asia Foundation....................	10,000	9,500	-500
Soviet-East European Research and Training........................	4,800	4,000	-800
Fishermen's Guaranty Fund.............	--	3,000	3,000
APPROPRIATIONS TOTAL..................	16,800	18,500	1,700
1986 Sequestered Amounts.............	-722		
REVISED TOTAL.........................	16,078		

UNITED STATES BILATERAL SCIENCE AND TECHNOLOGY AGREEMENTS

The U.S. Bilateral Science and Technology Agreements are cooperative activities, such as joint research projects, workshops, exchanges of scientists and exchanges of information and documentation, which foster basic research in a variety of areas of technology. Funds are requested for the United States share of expenses associated with funding selected science and technology projects under the joint agreement established with Yugoslavia.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$ 2,000	-$86	$1,914

Program Activities Summary

(dollars in thousands)

Activities	1986 Enacted	1987 Request	Increase or Decrease (-)
Science & Tech. Agreement - Yugoslavia	$2,000	$2,000	--
1986 Sequestered Amount................	-86		
Revised Total.........................	$1,914		

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation.

Explanation of Program Activities

SCIENCE AND TECHNOLOGY AGREEMENT - YUGOSLAVIA......................$2,000,000

Under the current five-year agreement with Yugoslavia each country's total share for sponsoring mutually beneficial projects will be approximately $10,000,000. To date, over 200 projects have been administered by eleven U.S. technical agencies. These include such projects as: earthquake engineering; rehabilitation of the handicapped; health problems of coal gasification; epidemiology; metallurgy; and improved animal feed.

PAYMENT TO THE ASIA FOUNDATION

The Asia Foundation (TAF) serves broad long-term American interests by funding development-oriented and scholarly exchange programs in fifteen countries and several Pacific Islands. Payments from this appropriation finance TAF for its program of grants and services in Asia and the Pacific basin.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

	1986 Enacted	1986 Sequestered	1986 Revised
Program Grants.............	$8,299	-$357	7,942
Operating Expenses.........	1,701	-73	1,628
TOTAL, Appropriation.......	10,000	-$430	$9,570

Program Activities Summary

(dollars in thousands)

Activities	1986 Revised	1987 Request	Increase or Decrease (-)
Program Grants and Services	$8,299	$7,884	-$415
Operating Expenses.........	1,701	1,616	- 85
Appropriation Total....	$10,000	$9,500	-$500
1986 Sequestered Amount....	-430		
Revised Total..........	$ 9,570		

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation.

Explanation of Program Activities

This decrease will reduce both program grants and services and operating expenses by five percent. The request of $9,500,000 will fund activities throughout the Asia and Pacific basin, including economic and trade cooperation initiatives, training, and other special programs.

THE SOVIET-EAST EUROPEAN RESEARCH AND TRAINING

The Soviet-East European Research and Training Fund implements Title VIII of the 1983 Department of State Authorization Act. This Act provides for U.S. Government assistance on a stable, long-term basis to develop and maintain a national capability for advanced research and training in the field of Soviet and Eastern European studies. Government support is given for graduate training, advanced research, public dissemination of research data and results, contact and collaboration among government and private specialists, and acquisition by specialists of first-hand experience in the Soviet Union and the countries of Eastern Europe.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$4,800	-$206	$4,594

Program Summary

(dollars in thousands)

Activities	1986 Revised	1987 Request	Increase or Decrease (-)
Program Grants...............	$4,800	$4,000	-$800
1986 Sequestered Amount......	-206		
Revised Total............	$4,594		

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation.

Explanation of Program Activities

Given the stability of this research effort, $4,000,000 is requested. To date, research grants have been awarded to the following areas of study: Russian language; International Scholar and Research Exchange Programs; Universities with advanced programs in the area of Soviet Studies (Harvard, Stanford and the University of Illinois); and national organizations devoted to the area of Soviet studies (Joint Committees on Eastern Europe and Soviet Studies, the National Council for Soviet and East-European Research, and the Woodrow Wilson Center of the Smithsonian Institution).

FISHERMEN'S GUARANTY FUND

The Fishermen's Guaranty Fund provides reimbursement to owners of commercial fishing vessels of the United States which are seized by foreign countries on the basis of claims to territorial waters or the high seas which the U.S. does not recognize. This appropriation provides payment which covers the following: damage to or destruction and confiscation of the such vessels, including fishing gear or other equipment; dockage fees and utilities; market value of the fish confiscated or spoiled during detention; and not to exceed 50 percent of gross income lost by the owner of the vessel and its crew as a direct result of seizure and detention.

Program Activities Summary

(dollars in thousands)

	1986 Estimate	1987 Request	Increase or Decrease (-)
Insurance, Claims, and Indemnities.............	--	$3,000	$3,000

Explanation of Program Activities

Insurance, Claims, and Indemnities............................ $3,000,000

The Fishermen's Guaranty Fund is currently administered by the Department of Commerce. Commerce enters into agreements with the owners of United States commercial fishing vessels in order to collect fees adequate to cover administrative costs and a reasonable portion of any payments made under this program. The fees are credited to a separate account in The Treasury, and remain available for use without fiscal year limitation. All claims are initially paid first out of available fees. If additional payments are needed they must be provided through appropriated funds. The law stipulates that the Government share is at least one-third. Currently, there are approximately 130 participants in this program.

In 1987, the responsibility for this appropriation will be transferred from the Department of Commerce to the Department of State. The request for $3,000,000 is divided as follows: $1,800,000 to be derived from fees collected and $1,200,000 from the general fund of The Treasury.

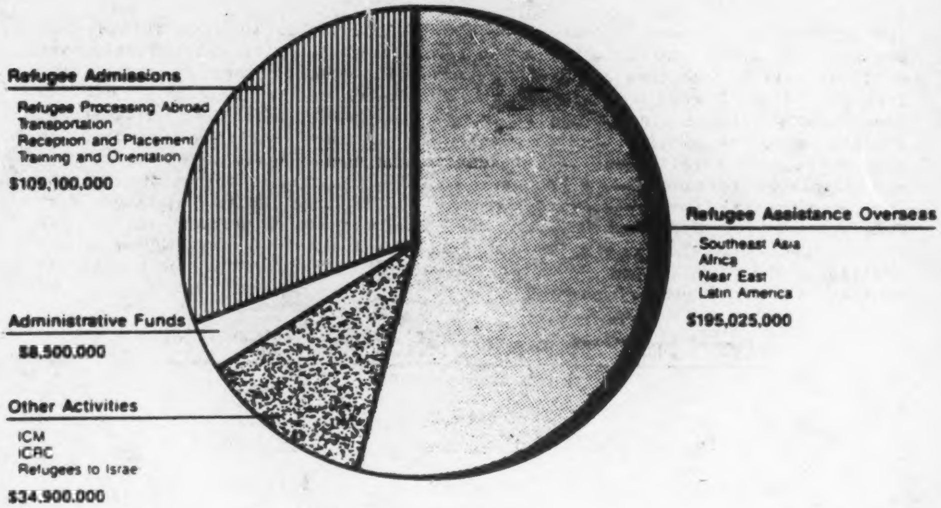
V. FOREIGN ASSISTANCE APPROPRIATIONS

OVERVIEW

(dollars in thousands)

Appropriations	1986 Revised	1987 Request	Inc/Dec(-) 1987
V. FOREIGN ASSISTANCE APPROPRIATIONS			
Migration and Refugee Assistance.........	$338,930	$347,525	$8,595
Emergency Migration & Refugee Assistance	--	25,000	25,000
International Narcotics Control.........	62,529	65,445	2,916
Anti-Terrorism Assistance...............	12,260	9,840	-2,420
APPROPRIATIONS and SUPPLEMENTALS TOTAL	413,719	447,810	34,091
1986 Sequestered Amounts	-17,367		
REVISED TOTAL...........................	396,352		

FY 1987 Migration and Refugee Assistance Appropriation



Total Request $347,525,000

MIGRATION AND REFUGEE ASSISTANCE

The movement of persons across international boundaries to seek refuge from persecution, armed conflict, and natural disasters, and the related responses of first asylum countries and the international community are of significant foreign policy concern to the United States. The objective of the Department's refugee programs is to assure timely and effective multilateral assistance to the victims of such persecution or armed conflict, including, in some cases, the resettlement of refugees to the U.S. Assistance to refugees and displaced persons is carried out chiefly through contributions to the Intergovernmental Committee for Migration (ICM), the United Nations High Commissioner for Refugees (UNHCR), the International Committee of the Red Cross (ICRC) and the United Nations Relief and Works Agency (UNRWA). In addition, the U.S. funds voluntary agencies' programs for both refugee admissions and refugee assistance.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$338,930	-$14,574	$324,356

Program Activities Summary

(dollars in thousands)

Activities	1986 Revised	1987 Request	Increase or Decrease (-)
Refugee Admission Program..	$122,080	$109,100	-$12,980
Refugee Assistance Overseas	186,700	195,025	8,325
Other Assistance...........	22,000	34,900	12,900
Administrative Expenses....	8,150	8,500	350
Appropriation Total.....	$338,930	$347,525	$8,595
1986 Sequestered Amount....	-14,574		
Revised Total..........	$324,356		

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation.

Explanation of Program Activities

REFUGEE ADMISSIONS..$109,100,000

Refugee admissions to the U.S. in 1987 are requested at 63,000 persons. The 1987 appropriation request reflects the policy of maintaining admissions at the minimum consistent with humanitarian and foreign policy interests.

The request of $109,100,000 will provide $15,250,000 for voluntary agency processing and $36,000,000 in transportation costs. Additionally, $37,800,000 is required for reception and placement services; $20,050,000 is necessary for training and orientation.

Refugee Admissions

	FY 1985 Actual	FY 1986 Ceilings	FY 1987 Request
East Asia, 1st Asylum.....	$41,972	$37,000	$32,000
East Asia, Orderly Departure Program......	7,998	8,500	10,000
Subtotal............	49,970	45,500	42,000
USSR/Eastern Europe.......	9,990	9,500	9,000
Near East/South Asia......	5,994	6,000	6,000
Western Hemisphere........	138	3,000	3,000
Africa....................	1,953	3,000	3,000
TOTAL...............	68,045	67,000	63,000

REFUGEE ASSISTANCE...$195,025,000

EAST ASIA...$29,350,000

UNHCR requirements for 1987 of $15,000,000 will address needs in the East Asian refugee camps. The Antipiracy program will require less in equipment allowing for a total funding level of $1,750,000. Khmer Relief activities require a total of $12,000,000 in funding. The Orderly Departure program remains at a funding requirement of $600,000.

AFRICA..$60,475,000

Refugee assistance in Africa for 1987 includes $43,500,000 for UNHCR program contributions and $14,000,000 for ICRC activities to address refugee needs on the continent. In addition, funding for special relief and training necessitates a total requirement of $2,975,000.

NEAR EAST..$87,500,000

Contributions to UNRWA to meet the continuing needs of Palestinian refugees are unchanged from the 1986 level of $67,000,000. Assistance to the large Afghan refugee population in Pakistan will require $20,500,000 in contributions.

LATIN AMERICA..$17,700,000

Care and maintenance requirements as well as resettlement for some refugees, continues to increase due to inflation and higher numbers of Nicaraguan refugees. To address this, a program funding level of $17,700,000 will provide support for an increased population as well as voluntary repatriation or resettlement in place for some refugee groups.

OTHER ASSISTANCE..$34,900,000

Contributions totalling $5,400,000 are required to meet the programs of ICM. Funding to support the administrative expenses and ongoing core programs of the ICRC require $4,500,000. Refugees immigrating to Israel necessitate $25,000,000.

ADMINISTRATION..$8,500,000

The 1987 requirement will finance salaries and operating expenses in support of 107 permanent staff in the Bureau for Refugee Programs. Program evaluation and special studies to assure effective monitoring of refugee activities are also included in the administrative requirements. This funding requirement will also provide for price increases due to projected inflation of 4.2% and one position for a refugee coordinator in New Delhi.

EMERGENCY REFUGEE AND MIGRATION ASSISTANCE

The Emergency Refugee and Migration Assistance (ERMA) appropriation is a no-year appropriation, drawn upon by the President to meet "unexpected urgent refugee and migration needs" whenever he determines that it is "important to the national interest" to do so. The Migration and Refugee Assistance Act of 1962, as amended, which authorizes the account, provides for permanent authorization of up to $50 million. The Department requests authorization for drawdowns when unanticipated circumstances require immediate financial support of programs sustaining life or providing other vital services.

Budget Summary

(dollars in thousands)

Year	Opening Balance	New Appropriation	Drawdowns	Ending Balance
1984	$38,120	--	$4,945	$33,175
1985	33,175	$25,000	40,080	18,095
1986	18,095	--	--[a]	18,095
1987	18,095	25,000	--[a]	43,095

Explanation of Budget Changes

Given a balance of approximately $18.1 million at the beginning of FY 1986, additional funds will be needed in FY 1987 to preserve the President's ability to expedite life-saving humanitarian assistance when current funding availabilities within the annual Migration and Refugee Assistance Appropriations are insufficient. Therefore, a replenishment of $25 million is requested for 1987.

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[a] Although urgent needs unforeseen in the President's budget are frequent and highly probable, it is not possible to forecast specific dollar amounts.

INTERNATIONAL NARCOTICS CONTROL

The objective of the International Narcotics Control program is one of simultaneously controlling cultivation and production in all key geographic sectors of illicit drugs exported to the United States so that significant reductions in availability can be achieved. The International Narcotics Control Assistance appropriation, therefore, provides assistance to foreign countries and international organizations to help them control the production, processing and illegal trafficking in narcotics and psychotropic drugs.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$57,529	-$2,474	$55,055
5,000 [a]		5,000
$62,529	-$2,474	$60,055

Program Activities Summary

(dollars in thousands)

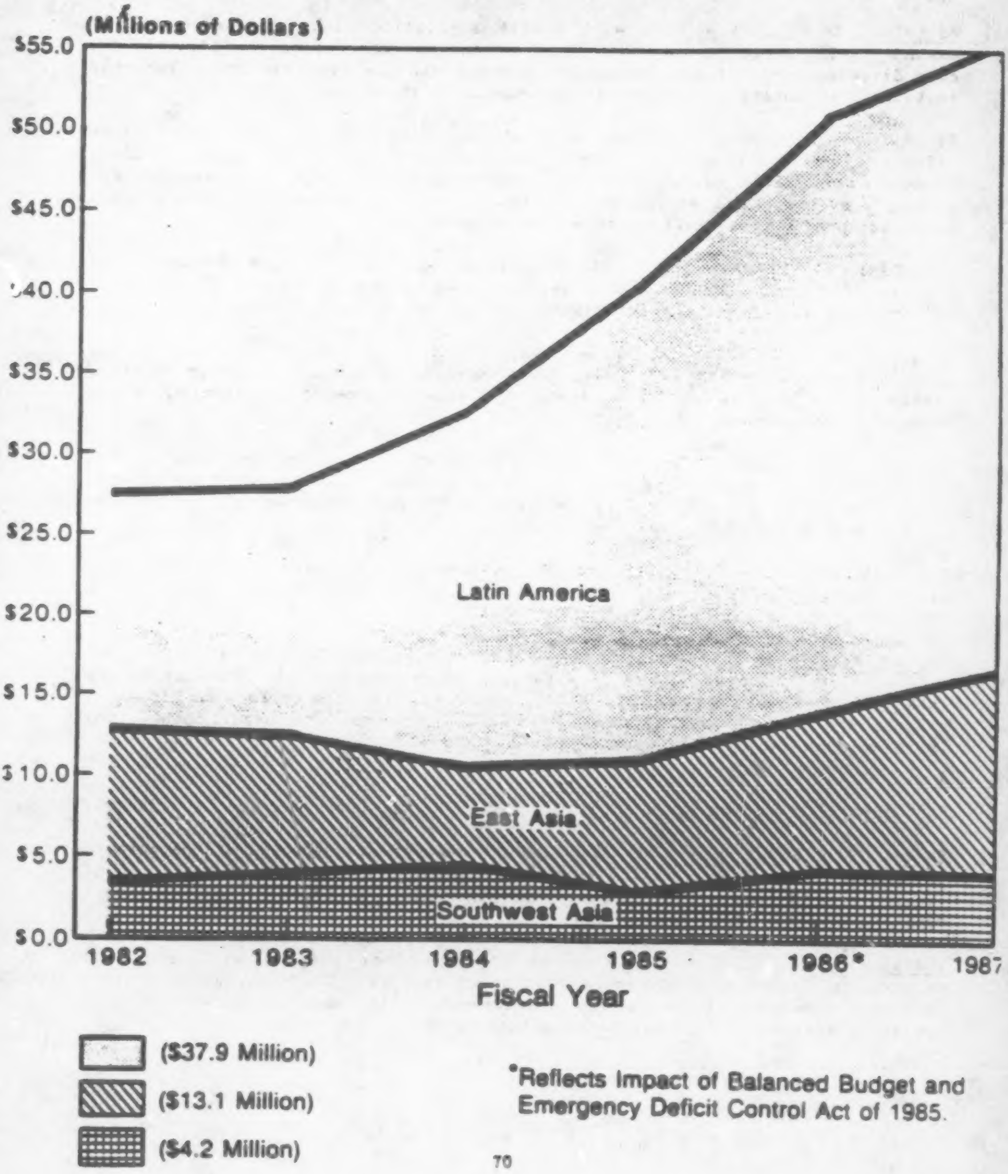
Activities	1986 Revised	1987 Request	Increase or Decrease (-)
Country Programs.............	$52,750	$55,160	$2,410
International Organizations..	2,900	2,975	75
Inter-Regional Programs......	4,250	4,420	170
Program Development & Support	2,629	2,890	261
Appropriation Total........	$62,529	$65,445	$2,916
1986 Sequestered Amount......	-2,474		
Revised Total............	$60,055		

[a] Transfer of $5,000,000 from Economic Support Funds (ESF).

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation.

Department of State International Narcotics Control

Country Programs by Region



*Reflects Impact of Balanced Budget and Emergency Deficit Control Act of 1985.

Explanation of Program Activities

COUNTRY PROGRAMS..$55,160,000

LATIN AMERICA $37,915,000

Bolivia: $4,675,000 - This will enable specialized rural police units to expand their presence in the Chapare and Yungas areas. Additionally, commodities, technical and logistical support will be provided for a recently instituted voluntary coca eradication program in the Chapare.

Brazil: $1,225,000 - Funding will support interdiction and eradication efforts, particularly in the remote Amazonas areas, to include communications/field equipment as well as operational funds, plus support for a drug prevention and education campaign to deal decisively with the growing narcotics production, trafficking and abuse problems.

Colombia: $10,180,000 - The 1987 program of will support a continuation of efforts for both manual and aerial eradication of illicit narcotics cultivations along with the interdiction of narcotics trafficking.

Ecuador: $845,000 - Funding in 1987 will continue to support a program level greatly enhanced in 1986 due to a major increase in coca eradication efforts, including the lease of aircraft, aerial survey requirements and communications equipment procurements.

Mexico: $11,310,000 - The 1987 program includes funding for the eradication, interdiction and educational efforts, and absorb increased maintenance costs associated with planned expansion of the Mexican government's spray and reconnaissance air fleet.

Peru: $5,680,000 - This will provide support to the Guardia Civil Project, field equipment for mobile rural patrol units and helicopter support for anti-narcotics operations in remote areas.

Latin American Regional: $4,000,000 - The 1987 regional program of $4,000,000 will continue to support a major expansion of crop-detection, eradication and interdiction efforts begun in 1985/86. Efforts will concentrate in Jamaica, Belize, the Bahamas and Haiti, and on quick responses to other cooperating Latin American governments.

EAST ASIA..$13,095,000

Burma: $8,825,000 - Funding will support the augmented efforts of the Burmese Government's major aerial opium eradication program through the procurement of troop ferrying aircraft, an increase in pilot instruction and aircraft maintenance training.

Thailand: $4,270,000 - The request for the Thai program will primarily support the Narcotics Enforcement Assistance Project. The enforcement project includes commodity, training and operational costs associated with units operating against illicit narcotics groups.

SOUTHWEST ASIA..$4,150,000

Pakistan: $2,850,000 - This will provide commodity training and operational support for the Joint Narcotics Task Force units in addition to funding for the agriculture outreach project.

Turkey: $1,000,000 - Funding in 1987 will provide telecommunications equipment and transport vehicles to be used by the National Police and Jandarma in their anti-narcotics efforts.

Asia/Africa Regional: $300,000 - The funding will provide assistance to cooperating regional governments with whom the U.S.Government has no bilateral program to: suppress illicit production, processing and trafficking of narcotics; provide alternative income opportunities to farmers cultivating illicit narcotic crops; provide technical assistance to domestic demand reduction; and other programs.

INTERNATIONAL ORGANIZATIONS.....................................$2,975,000

The 1987 request for international organizations will provide grants to both the Colombo Plan and the United Nations Fund for Drug Abuse Control. These grants are earmarked to complement the U.S. Government bilateral narcotics control programs in South America, East Asia and Southwest Asia. It will also provide support to the UN Security General's call for a world conference on drug abuse in 1987.

INTER-REGIONAL...$4,420,000

Funding for the Inter-Regional program will provide for training of foreign government officials in the United States and in host countries by the Drug Enforcement Administration and the U. S. Customs Service, along with continued support for the Demand Reduction Program.

PROGRAM DEVELOPMENT AND SUPPORT................................$2,890,000

The $2,890,000 includes funding for a new technical/maintenance assistant position for the enhanced aviation program, normal operating expenses such as wage, price, travel requirements, program design and evaluation, and short term technical assistance.

ANTI-TERRORISM ASSISTANCE

The Anti-Terrorism Assistance program, authorized in 1983, is a response to the alarming increase in international terrorist activity (e.g., hijackings, bombings, hostage-taking, kidnapping and assassinations). This program strengthens the bilateral relationship between the United States and participating countries by fostering cooperation among civil law enforcement agencies, and by providing training and related assistance to enhance the anti-terrorism skills of participants. These nations will become less appealing targets for terrorists, thereby strengthening worldwide pressure against terrorism. This program reinforces U.S. efforts to combat international terrorism.

Balanced Budget and Emergency Deficit Control Act of 1985

(dollars in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$7,420	-$319	$7,101

Program Activities Summary

(dollars in thousands)

	1986 Revised[a]	1987 Request	Increase or Decrease (-)
Executive Seminars	$1,061	$1,075	$ 14
Training Assessments	152	162	10
Training	7,944	8,278	334
Equipment Grants	3,103	325	-2,778
Appropriation Total	$12,260	$9,840	-$2,420
1986 Sequestered Amount	-319		
Revised Total	$11,941		

[a] Includes 1986 Security Supplemental of $4,840,000

Note: The explanation of Program Activities as presented is on a comparative basis to the 1986 Congressionally enacted appropriation plus proposed supplementals.

Explanation of Program Activities

Executive Seminars..$1,075,000

These seminars, conducted in cooperation with the FBI, FAA, U.S. Customs Service, Treasury and the Department's Office of Diplomatic Security, promote and provide a forum for bilateral exchange of ideas on how to combat international terrorism. In 1987, participants from 15 countries will be attending the two week Executive Seminars in Washington. Post-seminar activities will include site visits around the U.S. to discuss and exchange ideas on the methods used by the U.S. government in pooling agencies' resources. Cooperating federal, state and local agencies are included in these discussions.

Training Assessments..$ 162,000

Training assessment teams to participating countries consist of experts in transportation security, dignitary protection, communications, bomb disposal, crisis management, defensive driving, and hostage negotiations. In 1987, 15 training assessments are planned with an emphasis on transportation security (airports, ports, harbors and railroads) and VIP protection, as well as building security and document examination. The assessment teams consist of 3 to 5 experts in the field of airport security, VIP protection, crisis management, and document examination. The assessments cover a one week period of consultations with foreign government officials to determine security and training assistance needs towards formulating a country-specific training plan.

Training...$8,278,000

Law enforcement officials from participating countries will receive anti-terrorism training. Training will be primarily given to instructors, mid-level managers and supervisors who can manage incidents and train other members of their law enforcement agencies. Normally, one-to-four week courses are conducted by appropriate federal agencies at their training facilities in the U.S. Training courses will be conducted for approximately 1,700 individuals from 15 countries covering such specific topics as: VIP Protection; Hostage Negotiation; Hostage Rescue in Rural Areas; Transportation Security; Document Examination; and Crisis Management. Courses will be revised and expanded to assure that individuals obtain the best training, are confident in dealing with the various terrorist situations and meet the long-term need of the countries towards training their own law enforcement personnel.

Equipment Grants..$ 325,000

The Equipment Grant Program (formerly Commodity Exchange Program) funds various security and related equipment recommended by the assessment teams and approved by the Department of State. The equipment includes airport security devices; instructional training devices; special tactical equipment; and bomb disposal equipment. The 1987 program will be substantially less than 1986, primarily due to last year's major equipment procurement program for increased airport security worldwide, with special emphasis on Central America.

VI PERMANENT APPROPRIATIONS AND TRUST FUNDS

The following is a brief description of the activities financed from permanent appropriations and trust funds totalling $604,785,000.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

Based upon the U.S. Department of Treasury actuarial estimates, $197,500,000 will be required in 1987. This permanent indefinite appropriation is authorized by Section 822 of the Foreign Service Act of 1980 (P.L. 96-465) which requires that the Secretary of The Treasury make annual payments to the retirement fund of an amount equal to: (1) interest on the unfunded liability and (2) annuity disbursements attributable to military service.

INTERNATIONAL CENTER, WASHINGTON, D.C.

The International Center is a permanent indefinite appropriation representing the funds derived (an estimated $945,000 in 1987) from the leasing of property owned by the United States in the District of Columbia to foreign governments for use as Embassies. These funds will be used to finance costs of site preparation.

TRUST FUNDS

Trust fund accounts are estimated in 1987 to be a net of $789,116,000. The majority of these funds consist of the Foreign Service Retirement and Disability Fund.

OFFSETTING RECEIPTS

These transactions represent various collections that offset budget authority such as miscellaneous interest collections, fees for services, receipts from property sales and other recoveries. These total a net of -$382,776,000.The majority of these receipts are related to the operation of the Foreign Service Retirement and Disability Fund.

1986 SUPPLEMENTAL REQUESTS SUMMARY

Salaries and Expenses.. $237,494,000

Pursuant to recommendations by the Secretary's Advisory Panel on Overseas Security, a 1986 supplemental of $237,494,000 and 595 positions is proposed for urgently required worldwide security protection, primarily for U.S. personnel, overseas property and national security information. The following is a summary of the projects, including those for other Foreign Affairs Agencies such as USIA, USAID and the Peace Corps, funded in this supplemental request:

Residential security upgrades for all agencies at high threat posts will require $71,522,000 and 49 positions. Efforts to improve protection of office buildings at high threat posts will require $59,827,000. To counter the unprecedented threat of sophisticated penetration systems used by hostile foreign intelligence agencies against our overseas facilities, $10,132,000 and 31 positions are requested. The protection of certain foreign ambassadors and visiting dignitaries will require $4,865,000 and 126 positions. Improvements to the overseas guard program will require $5,004,000 and 20 positions. In addition to these security improvements, $14,572,000 and 124 positions are requested to improve various security training programs and operational activities of the new Bureau of Diplomatic Security.

As well as improving security at our overseas missions, included in this supplemental request is funding for several other related programs: To protect classified office equipment and communications systems will require $22,769,000 and 58 positions; $29,899,000 and 76 positions for information systems security, primarily an alternate Automated Data Processing facility; $6,330,000 to replace selected Foreign Service National employees at Soviet and Eastern European posts with American contractors; and $12,574,000 and 111 positions for other domestic and overseas security support programs and administrative support of the New Bureau of Diplomatic Security.

Acquisition and Maintenance of Buildings Abroad................ $454,532,000

The Foreign Buildings Program supplemental will provide $454,532,000 to begin implementing recommendations of the Secretary of State's Advisory Panel on Overseas Security. This amount will primarily fund the increased costs required to upgrade the 1985 and 1986 capital programs to meet the new more stringent security standards and accelerate construction projects originally scheduled for 1987. Capital projects by Regional Bureau are as follows: Bureau of African Affairs: for construction of Chanceries in Khartoum, Sudan; Mogadishu, Somalia; and rehabilitation of the Chancery in Djibouti ($54,027,000); Bureau of Inter American Affairs: for Office Building Chancery construction in Santiago, Chile; Georgetown, Guyana; La Paz, Bolivia; Kingston, Jamaica; Caracus, Venezuela; and, the Chancery Annex in Tegucigalpa, Honduras ($140,174,000); Bureau of European Affairs: for construction of Consulates in Istanbul and Izmir, Turkey; completion of the Chancery in Nicosia, Cyprus; and, provide special construction programs for Geneva, London, and Moscow ($137,000,000); Bureau of Near East and South Asian Affairs: funding for completion of the construction phase for Chancery projects in Manama, Bahrain; Doha, Qatar; Kuwait; Muscat, Oman; Dhaka, Bangladesh; Sanaa, Yemen; and Amman, Jordan; and, construction of the Chancery Compound in Tunis, Tunisia ($84,561,000).

In addition, funds are also requested for relocation and renovation of AID, USIA, and Department of Commerce facilities overseas ($34,001,000); and to provide added program management and administrative resources associated with this supplemental ($4,769,000 and 177 positions).

Anti-Terrorism Assistance.................................... $4,840,000

The Secretary's Advisory Panel on Overseas Security recommended that the Department's Anti-Terrorism Assistance program be expanded. Supplemental funding of $4,840,000 for this appropriation will provide for increased counterterrorism training including the strengthening of airport security systems and the initiation of a program of assistance to civilian police forces in Central America.

Counterterrorism Research and Development...................... $10,000,000

The findings of the State Department's technical support working group submitted to the National Security Council revealed substantial technical vulnerabilities in overseas operations at our Diplomatic facilities. The report indicated that the quality of and sophistication of this technical threat far exceeds the the countermeasure capabilities of the Department and other foreign affairs and national security agencies. This new appropriation will provide $10,000,000 for a coordinated counterterrorism research and development plan to be used as the focus of an inter-agency effort to counter these technical vulnerabilities.

DIPLOMATIC SECURITY SUPPLEMENTAL

1986 - 1990
(in millions)

	1986	1987	1988	1989	1990	TOTAL
Salaries and Expenses	$237.4	$303.5	$286.3	$398.8	$404.6	$1,630.6
Acquisition and Maintenance of Buildings Abroad	454.5	1,089.6	619.8	422.5	67.4	2,653.8
SUBTOTAL	691.9	1,393.1	906.1	821.3	472.0	4,284.4
Counter-terrorism Research and Development	10.0	20.0	19.0	18.0	17.0	84.0
TOTAL, ADMINISTRATION OF FOREIGN AFFAIRS*	701.9	1,413.1	925.1	839.3	489.0	4,368.4
Anti-Terrorism Assistance**	4.8	4.8	5.5	6.0	6.5	27.6
TOTAL	706.7	1417.9	930.6	845.3	495.5	4,396.0

* Appropriated in Commerce-Justice-State Appropriations Act
** Appropriated in Foreign Assistance Appropriations Act

Note: Excludes adjustments for the Balanced Budget and Emergency Deficit Control Act of 1985.

Acquisition and Maintenance
of Buildings Abroad

FBO Capital Program Detail
FY 1986 - FY 1990
(dollars in thousands)

			Summary						
Area	Country and Post	Project	Prior Approp.	1986 SY Supp	1987 Approp.	1988 Approp.	1989 Approp.	1990 Approp.	Total Project
Acquisition, Development & Construction:									
AF:	Sudan, Khartoum	OBC/CON	$ 2,410	$33,940		--			$36,350
	Somalia, Mogadishu	OBC/CON	14,340	19,287		--			33,627
	Djibouti, Djibouti	OBC/REHAB	1,800	800		--			2,600
	Ivory Coast, Abidjan	OBC/CON	1,560	--	$37,509	--	--	--	39,069
	South Africa, Pretoria	OBC/ACQ/CON	837		33,298	--			34,135
	Uganda, Kampala	OBC/ACQ/DEV/CON			28,912	--			28,912
	Cameroon, Yaounde	OBC/ACQ/DEV/CON			29,355				29,355
	Madagascar, Antanarivo	OBC/ACQ/DEV/CON		--	--	$38,615			38,615
	South Africa, Johannesburg	COB/ACQ/DEV/CON		--	--	25,179			25,179
	Mauritius, Port Louis	OBC/RELOC/RENOV		--	--	4,683			4,683
	Zaire, Kinshasa	OBC/ACQ/DEV/CON		--	--	--	$50,920		50,920
	Seychelles, Victoria	OBC/RELOC/RENOV		--		--	5,297		5,297
	Cameroon, Doula	OBC/RELOC/RENOV					4,179		4,179
	Burkina Faso, Ouagadougou	OBC/ACQ/DEV/CON				--	--	$18,666	18,666
	South Africa, Capetown	COB/ACQ/DEV/CON				--		26,981	26,981
	Subtotal, AF		20,947	54,027	129,074	68,477	60,396	45,647	378,568
ARA:	Chile, Santiago	OBC/CON	$6,100	$44,556		--			50,656
	Guyana, Georgetown	OBC/CON	11,149	4,307		--			15,456
	Venezuela, Caracas	OBC/CON	24,170	20,721					44,891
	Bolivia, La Paz	OBC/CON	23,839	12,611					36,450
	Jamaica, Kingston	OBC/CON	1,917	53,628		--			55,545
	Honduras, Tegucigalpa	OBC/CON	11,355	4,351					15,706
	Columbia, Bogota	OBC/ACQ/DEV/CON			$57,589				57,589
	Peru, Lima	OBC/ACQ/DEV/CON			68,640	--			68,640
	Panama, Panama	OBC/DEV/CON				$65,205			65,205
	Suriname, Paramaribo	OBC/ACQ/DEV/CON				35,106			35,106
	Ecuador, Quito	OBC/ACQ/DEV/CON				62,676			62,676
	Columbia, Barranquilla	COB/RELOC/RENOV				5,380			5,380
	Mexico, Guadalajara	COB/RELOC/RENOV				8,421			8,421
	Mexico, Mazatlan	COB/RELOC/RENOV				4,240			4,240
	Mexico, Merida	COB/RELOC/RENOV				4,474			4,474
	Barbados, Bridgetown	OBC/ACQ/DEV/CON					$29,523		29,523
	Brazil, Rio de Janeiro	COB/ACQ/DEV/CON		--	--		60,341	--	60,341
	Brazil, Sao Paulo	COB/ACQ/DEV/CON		--			39,609		39,609
	Bahamas, Nassau	OBC/ACQ/DEV/CON				--	30,703		30,703
	Mexico, Matamoros	COB/RELOC/RENOV		--	--			$3,718	3,718
	Venezuela, Maracaibo	COB/RELOC/RENOV		--	--			3,898	3,898
	Subtotal, ARA		78,530	140,174	126,229	185,502	160,176	7,616	698,227
EA:	Thailand, Chiang Mai	OBC/ACQ/DEV/CON			$21,179				$21,179
	Japan, Tokyo	OBC/REHAB	--	--	17,131		--		17,131
	Burma, Rangoon	OBC/CON	$3,170	--		$35,754			38,924
	Thailand, Bangkok	OBC/DEV/CON				61,243			61,243
	Hong Kong, Hong Kong	OBC/REHAB				6,278			6,278
	Japan, Osaka Kobe	OBC/REHAB				2,932			2,932
	Malaysia, Kuala Lumpur	Site Acq				6,000			6,000
	Philippines, Cebu	COB/RELOC/RENOV	--	--		5,533			5,533
	Korea, Seoul	OBC/DEV/CON	1,700	--			$48,414		50,114
	Indonesia, Jakarta	OBC/ACQ/DEV/CON		--			55,893		55,893
	Subtotal, EA		4,870		38,310	117,740	104,307		265,227

Acquisition and Maintenance of Buildings Abroad

FBO Capital Program Detail
FY 1986 - FY 1990
(dollars in thousands)

			Summary						
Area	Country and Post	Project	Prior Approp.	1986 SY Supp	1987 Approp.	1988 Approp.	1989 Approp.	1990 Approp.	Total Project
EUR:	Turkey. Istanbul	CMP/CON	$1.260	$18.925	$14.782	$11.000	--	--	$45.967
	Turkey. Izmir	COB/CON	865	12.325	--		--	--	13.190
	Cyprus. Nicosia	OBC/EMR/CON	12.140	4.580	--	--	--	--	16.720
	Geneva START	OBX/DEV/CON	3.130	56.170	--	--	--	--	59.300
	England. London	OBC/REHAB	--	20.000	--		--	--	20.000
	Turkey. Ankara	CMP/CON	2.025	--	46.421		--	--	48.446
	Belgium. Brussels	OBC/ACQ/DEV/CON	--	--	53.814	--	--	--	53.814
	France. Paris	OBC/REHAB	--	--	9.692	-	--	--	9.692
	Greece. Athens	Site Acq	--	--	10.000			--	10.000
	Germany. Bonn	OBC/REHAB	--	--	19.486	--	--	--	19.486
	Bulgaria. Sofia	OBC/ACQ/DEV/CON	--	--	38.024				38.024
	Hungary. Budapest	OBC/ACQ/DEV/CON	--	--	51.860			--	51.860
	Czechoslovakia. Prague	OBC/ACQ/DEV/CON		--	71.306				71.306
	Germany. Berlin	COB/ACQ/DEV/CON	--	--	56.160	-		--	56.160
	Austria. Vienna	OBC/ACQ/DEV/CON		--	89.253				89.253
	Spain. Madrid	OBC/ACQ/DEV/CON	-	--	--	50.982		-	50.982
	Denmark. Copenhagen	OBC/ACQ/SEV/CON			--	53.716			53.716
	Germany. Hamburg	COB/ACQ/DEV/CON				48.128			48.128
	Yugoslavia. Zagreb	OBC/ACQ/DEV/CON	-	--	--	26.185		--	26.185
	USSR. Leningrad	COB/REHAB	--	--	--	20.000	-	--	20.000
	Turkey. Adana	COB/RELOC/RENOV				5.822			5.822
	Ireland. Belfast	COB/RELOC/RENOV				3.910			3.910
	Spain. Bilbao	COB/RELOC/RENOV			-	3.549			3.549
	Italy. Genoa	COB/RELOC/RENOV			--	4.911	--	--	4.911
	France. Lyon	COB/RELOC/RENOV			-	3.952			3.952
	France. Marseille	COB/RELOC/RENOV	-			4.822	--		4.822
	Belgium. Antwerp	COB/RELOC/RENOV				4.311			4.311
	Switzerland. Zurich	COB/RELOC/RENOV		--	-	8.763			8.763
	Malta. Valletta	OBC/ACQ/DEV/CON		--			$24.798		24.798
	Greece. Thessaloniki	COB/ACQ/DEV/CON					25.117		25.117
	Netherlands. The Hague	COB/ACQ/DEV/CON					51.429		51.429
	Switzerland. Bern	COB/ACQ/DEV/CON	--				51.341	--	51.341
	Luxembourg. Luxembourg	OBC/DEV/CON						$17.915	17.915
	Canada. Montreal	COB/RELOC/RENOV						6.772	6.772
	Spain. Barcelona	COB/RELOC/RENOV					-	5.125	5.125
	Italy. Florence	COB/RELOC/RENOV						5.345	5.345
	Netherlands. Amsterdam	COB/RELOC/RENOV						6.500	6.500
	Subtotal. EUR		19.420	112.000	460.798	250.051	152.685	41.657	1.036.611
NEA:	Tunisia. Tunis	CMP/CON	$3.130	$30.200	--			--	$33.330
	Bahrain. Manama	OBC/CON	12.571	2.212					14.783
	Qatar. Doha	OBC/ACQ/CON	10.530	6.358					16.888
	Kuwait. Kuwait	OBC/CON	18.140	6.002					24.142
	Oman. Muscat	OBC/CON	30.814	681					31.495
	Bangladesh. Dhaka	OBC/CON	12.787	5.651					18.438
	Yemen. Sanaa	OBC/CON	22.161	8.556					30.717
	Jordan. Amman	OBC/ACQ/CON	19.853	24.901					44.754
	Israel. Tel Aviv	CMP/ACQ/DEV/CON			83.423				83.423
	Jerusalem	COB/ACQ/DEV/CON			41.083				41.083
	Egypt. Alexandria	COB/ACQ/DEV/CON			24.752				24.752
	Egypt. Cairo	OBX/DEV/CON			54.608				54.608
	Morocco. Rabat	CMP/ACQ/DEV/CON			34.833				34.833
	United Arab Emirates. Abu Dhabi	OBC/DEV/CON			29.052				29.052
	Algeria. Algiers	CMP/CON	1.615			$37.706			$ 39.321
	India. Bombay	COB/DEV/CON	--			31.757			31.757
	United Arab Emirates. Dhabi	COB/RELOC/REHAB				6.972			6.972
	Subtotal. NEA		131.601	84.561	267.751	76.435		--	560.348
	Subtotal		255.368	390.762	1.022.162	698.205	477.564	94.920	2.938.981

Acquisition and Maintenance of Buildings Abroad

FBO Capital Program Detail
FY 1986 - FY 1990
(dollars in thousands)

Area	Country and Post	Project	Prior-Approp.	Summary 1986 SY Supp	1987 Approp.	1988 Approp.	1989 Approp.	1990 Approp.	Total Project
	Moscow Complex		--	25,000	-		--	--	25,000
	Project Support		--	3,830	6,638	6,904	7,188	7,466	32,018
	Administrative Costs		--	939	-		--	-	939
	TOTAL DEPARTMENT OF STATE		255,368	420,531	1,028,800	705,109	484,744	102,386	2.996.938
Other Agencies									
	USAID			14.807	26.161	25.579	12.500	5,125	84.172
	USIA			15.444	30.648	26.155	15.298	9.903	97.448
	Department of Commerce			3.750	4.000	3.000			10.750
TOTAL ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD			255,368	454,532	1,089,609	759,843	512,542	117,414	3,189,308
	Anticipated Proceeds of Sale					140.000	90.000	50.000	280.000
	Appropriation Total			454.532	1.089.609	619.843	422.542	67.414	2.653.940

FBO GLOSSARY

ACQ	Site Acquisition
CGR	Consul General Residence
CMP	Compound
COB	Consulate Office Building
CON	Construction
CPU	Communication Processing Unit
DEV	Development of architectural design and engineering plans
DOD	Department of Defense
EMR	Embassy Residence
FBO	Office of Foreign Buildings Operations
GO	Government-owned
LTL	Long Term Lease
MSG	Marine Security Guard
NOB	New Office Building
OBC	Office Building Chancery
OBX	Office Building Annex
PAC	Public Access Control
PCC	Post Communication Center
PUR	Purchase of buildings
REHAB	Rehabilitation of buildings
RELOC	Relocation of buildings to new site
RENOV	Renovation of existing buildings
SAR	Single Staff Residence
SDA	Staff Apartments
SOR	Senior Officer Residence
STL	Short Term Lease

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

For necessary expenses of the Department of State and the Foreign Service, not otherwise provided for, including obligations of the United States abroad pursuant to treaties, international agreements, and binational contracts (including obligations assumed in Germany on or after June 5, 1945), expenses authorized by section 9 of the Act of August 31, 1964, as amended (31 U.S.C. 3721), and section 2 of the State Department Basic Authorities Act of 1956, as amended (22 U.S.C. 2669); telecommunications; expenses necessary to provide maximum physical security in Government-owned and leased properties and vehicles abroad; permanent representation to certain international organizations in which the United States participates pursuant to treaties, conventions, or specific Acts of Congress; acquisition by exchange or purchase of vehicles as authorized by law, except that special requirement vehicles may be purchased without regard to any price limitation otherwise established by law: [$1,455,000,000] $1,841,559,000. (Department of State Appropriations Act, of 1986; additional authorizing legislation to be proposed.)

[REOPENING CONSULATES]

[For necessary expenses of the Department of State and the Foreign Service for reopening and operating certain United States consulates as specified in section 103 of the Department of State Authorization Act, fiscal years 1982 and 1983, $1,700,000.] (Department of State Appropriation Act, 1986.)

Proposed Change:

Congress provided a separate appropriation in fiscal year 1983, 1984, 1985, and 1986 to fund the reopening and operation of six posts. The posts are Brisbane, Australia; Turin, Italy; Nice, France; Goteburg, Sweden; Bremen, Federal Republic of Germany; and Salzburg, Austria. For 1987, operating costs are included in the Salaries and Expenses Appropriation.

INTERNATIONAL COMMISSIONS

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

SALARIES AND EXPENSES

For salaries and expenses, not otherwise provided for, including preliminary surveys, [$11,300,000] $10,600,000: *Provided*, That expenditures for the Rio Grande bank protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the Act approved April 25, 1945 (59 Stat. 89): *Provided further*, That the Anzalduas diversion dam shall not be operated for irrigation or water supply purposes in the United States unless suitable arrangements have been made with the prospective water users for repayment to the Government of such portions of the cost of said dam as shall have been allocated to such purposes by the Secretary of State [*Provided further*, That not to exceed $1,200,000 of the amount appropriated in this paragraph shall be available for reimbursement of the city of San Diego, in the State of California, for expenses incurred in treating domestic sewage received from the city of Tijuana, in the State of Baja, California, Mexico]. (Department of States Appropriation Act, 1986.)

Proposed Change:

Funds were earmarked by Congress in the 1986 appropriation for the treatment of Tijuana sewage by San Diego. The current agreement between the United States and Mexico will expire in December 1986. Negotiations with Mexico are currently being conducted to reach agreement which would charge Mexico actual treatment costs for any emergency sewage treatment provided by San Diego.

FOREIGN ASSISTANCE

MIGRATION AND REFUGEE ASSISTANCE

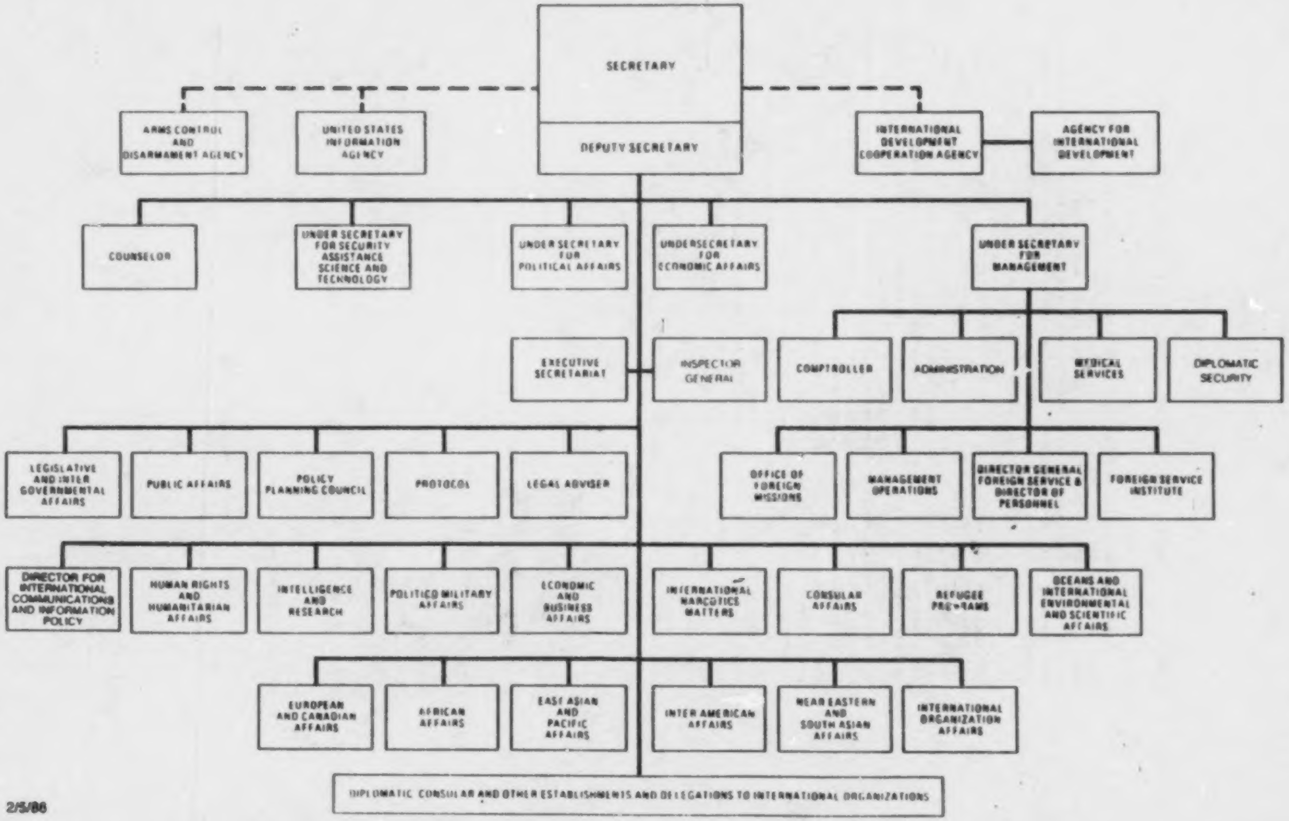
For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross and assistance to refugees, including contributions to the Intergovernmental Committee for Migration and the United Nations High Commissioner for Refugees; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980, allowances as authorized by sections 5921 through 5925 of title 5, United States Code; hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code; [$338,930,000] $347,525,000: [Provided, That not less than $12,500,000 shall be available for Soviet, Eastern European and other refugees resettling in Israel:] Provided [further], That these funds shall be administered in a manner that ensures equity in the treatment of all refugees receiving Federal assistance [: Provided further, That no funds herein appropriated shall be used to assist directly in the migration to any nation in the Western Hemisphere of any person not having a security clearance based on reasonable standards to ensure against Communist infiltration in the Western Hemisphere: Provided further, That no more than $8,150,396 of the funds appropriated under this heading shall be available for the administrative expenses of the Office of Refugee Programs of the Department of State: Provided further, That not more than $2,500,000 of the funds appropriated under this heading shall be available for the orderly movement of the overland Vietnamese refugees presently located at the Dong Ruk (Site 2) refugee camp in Thailand to a safe haven either in Thailand or in another location more directly under the control of the United States where they may be joined with other Vietnamese refugees: Provided further, That each of the earmarks contained in section 108 of Public Law 99-93 shall be reduced by 1.7 percent]. (Foreign Assistance and Related Programs Appropriations Act, 1986, as included in Public Law 99-190.)

Proposed Changes:

1. Eliminates the funding levels and earmarkings added to the 1986 appropriation so that the proposed language is consistent with the 1987 request.

2. Removes specific references to "any nation in the Western Hemisphere". Present language requires security clearances for persons who may receive limited voluntary agency service funded by the United States without resettling in the U.S. Granting these clearances diverts staff resources that could better be used in other activities. Eliminating the specific funding requirement will also make the proposed language consistent with the 1987 request.

DEPARTMENT OF STATE


SECRETARY
DEPUTY SECRETARY
ARMS CONTROL AND DISARMAMENT AGENCY
UNITED STATES INFORMATION AGENCY
INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
COUNSELOR
UNDER SECRETARY FOR SECURITY ASSISTANCE SCIENCE AND TECHNOLOGY
UNDER SECRETARY FOR POLITICAL AFFAIRS
UNDERSECRETARY FOR ECONOMIC AFFAIRS
UNDER SECRETARY FOR MANAGEMENT
EXECUTIVE SECRETARIAT
INSPECTOR GENERAL
COMPTROLLER
ADMINISTRATION
MEDICAL SERVICES
DIPLOMATIC SECURITY
LEGISLATIVE AND INTER GOVERNMENTAL AFFAIRS
PUBLIC AFFAIRS
POLICY PLANNING COUNCIL
PROTOCOL
LEGAL ADVISER
OFFICE OF FOREIGN MISSIONS
MANAGEMENT OPERATIONS
DIRECTOR GENERAL FOREIGN SERVICE & DIRECTOR OF PERSONNEL
FOREIGN SERVICE INSTITUTE
DIRECTOR FOR INTERNATIONAL COMMUNICATIONS AND INFORMATION POLICY
HUMAN RIGHTS AND HUMANITARIAN AFFAIRS
INTELLIGENCE AND RESEARCH
POLITICO MILITARY AFFAIRS
ECONOMIC AND BUSINESS AFFAIRS
INTERNATIONAL NARCOTICS MATTERS
CONSULAR AFFAIRS
REFUGEE PROGRAMS
OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS
EUROPEAN AND CANADIAN AFFAIRS
AFRICAN AFFAIRS
EAST ASIAN AND PACIFIC AFFAIRS
INTER AMERICAN AFFAIRS
NEAR EASTERN AND SOUTH ASIAN AFFAIRS
INTERNATIONAL ORGANIZATION AFFAIRS
DIPLOMATIC CONSULAR AND OTHER ESTABLISHMENTS AND DELEGATIONS TO INTERNATIONAL ORGANIZATIONS

2/5/86

CONTROL OF GOVERNMENT SPENDING

Secretary SHULTZ. Instead of reading it, I will talk a little bit with you about what is going on and why I feel that we simply must have approximately this amount of money.

Let me say as a taxpayer, as a former Director of the Budget, somebody who has appeared before you, Mr. Chairman, I think my first time was in 1969 when I came before you for the Department of Labor budget. I am very conscious of the need to be careful with the taxpayers' money and particularly in the budget atmosphere we have, and I am ready to lead the charge on the importance of controlling government spending and getting the deficit under control. I have felt that way a long time. We have been trying in the department to seek every way we can to reduce the costs of our operations, and we are going to continue to do that. Whenever we find something we think we can do a little cheaper we will.

I have asked in addition to our regular staff under Ron Speirs and the management group and the comptroller, three of our most experienced career ambassadors, Ambassador Bray, Ambassador Viets, with the help of our Inspector General, Ambassador Harrop, to subject these activities to a very cold eye in an effort to see what we can do about them. We have been doing that.

In addition, I have had come back from their posts briefly, and we will do it again, two noncareer ambassadors, so I am getting people who understand how the thing operates. These are noncareer ambassadors who have been on board approximately five years. Each has had two different posts: Ambassador Price, who is currently ambassador in the United Kingdom, and Ambassador Swaebe who is in Belgium. Both men have run major private enterprises. They are good managers and experienced managers, and now having served in these posts they have a sense of what it is that we are trying to do and how we are trying to do it. They have put in their efforts. We are finding some things, and, as I said, when we find them we are going to implement them.

But when I hear the kinds of numbers that are being talked about, that some people casually say they are going to have to take out of the State Department budget $100 million or $200 million, let me tell you it is impossible if we are going to maintain the kind of activity that we feel we must maintain.

You cannot do it without closing a lot of posts, without cutting down the numbers in our posts abroad drastically. I think we should have fewer numbers in our posts abroad. Most of the people in our posts abroad are not State Department people. Out of every 100 people in our post abroad, 70 are from some other agency, something over which we have little control, although I am going to try to get more control and get those numbers down.

For one thing, it affects the size of the facilities that we have to have, and that affects the security problem. The more people you have, the more space you have, the greater, more expensive the buildings are, obviously, the greater your security problems. We have to get this under control. But still in all, we have very important functions to perform and we have to be able to perform them.

IMPORTANCE OF MAINTAINING THE THINGS WE BELIEVE IN

I am asked by Members of Congress all the time who say: "Well, I understand the State Department budget and the security assistance and economic assistance budget and I know those are not before you, but nevertheless it is part of the bundle. But I can't explain it back home. Why should we spend any money on diplomacy when we have needs here? I think that there is a very good explanation and I know all of you do, because you have all been very helpful and you have taken the trouble to know something about what we are doing.

We spend $9.5 million a year on our embassy in Manila. They have done a terrific job. We sent Ambassador Habib out there, a career Foreign Service officer. You know how much he gets for doing what he is doing, extra compensation from the government? Nothing—zero. But he is glad to do it. In fact, he is excited to serve the country.

Just recently I was explaining why I was a little late, because we had a little sendoff for him down to Central America. He said to the President, "This is a terrific assignment, at least I stay in the same time zone!"

But $9.5 million, and look what we got for that. Among other things, if one of the results is that we don't have to close up those bases and build some more bases somewhere, that is about $12 billion right there.

The same can be said all over the world. If you said to yourself, imagine that somehow when World War II ended there wasn't any United States of America, that we withdrew into our shell, what would the difference be? It would have been gigantic. What would have happened in Europe under those circumstances if we had not taken a hand? Where would Japan be? What about people in Africa, how many would have died of hunger last year if it hadn't been for the United States efforts?

And if we saw it closing in on freedom around the world, that could very well have happened, don't you think that would have an impact on life in the United States? It would have had a tremendous impact on the environment we live in.

So my message to you is the United States makes a difference in this world. It is important to people all over the world, and most all of it is important to people in the United States that we are able to represent ourselves, to stand up for the things we believe in, and to see them take root, it helps us.

If we get the kind of cuts that people talk about, we just cannot do these things. So I would be very pleased to have you dig in here in any way you can on any of this budget. We are ready to pare it down in any reasonable way, but if it gets pared down too much we will have to say we cannot do the job that way.

I am not quoting anybody around here. We are just starting the hearings, but I have been reading and people have been telling me all the things that are going to have to be done. I am here to tell you that they cannot be done and have us represent ourselves in the way we have been doing, in the way we can do, and in the way it is in our interest to do.

This State Department budget, $2.5 billion on an overall base as submitted by the President of $994 billion, you figure that out, it is .0025 of the total budget. It gets lost in the total budget.

I am still close enough to the private sector to think it is a lot of money. But when you think of what we get for that amount of money, I think it is a bargain. It is very, very small. If you put the military security and economic assistance in, it is still less than 2 percent of the budget, less than two cents on the dollar of the budget.

So we are basically getting our money's worth out of this. And I say that recognizing full well, as anybody who has ever tried to manage a large organization, you know that you are always, if you are doing it right, you are scraping and finding ways to save, and so forth. And we are going to do that and we expect continuing efforts by the people that I mentioned to come in as a kind of extra overlay assignment and really struggle away at this.

SECURITY ASPECTS

As far as the security aspects of it are concerned, here again we have tried to go about this in a very thoughtful and orderly way. In the first place, let me say that this committee and other committees of the Congress, both House and Senate, have said many times to me that what it takes to do right by our people who are serving overseas we will do, and I believe that. They have said, "You go figure out what it is, and don't throw the book at us but let's have a reasonable program, let's think it through, let's get some people outside of the department to help."

So we get some perspective on this thing, that is exactly what we have done. We have had the Bobby Inman panel, with broad representation, people inside and outside, a Member of Congress, and they did a very good job. They really went into it and they made very good recommendations. We have already carried out around half of them. We need appropriations and authorization for the balance. There were very few recommendations we did not agree with. But at any rate they made some very strong recommendations about what we should do.

They looked at our buildings. Many of them were located and constructed in a different era, and so we have to have some new ones. We have to relocate them. In some cases we can rearrange things so they are more secure and get along all right, which we are trying to do.

SPECIAL PURPOSE BUILDING

Insofar as the buildings are concerned, we all know that what we are talking about is a special-purpose building. It is not an office building that we put up somewhere in a U.S. city someplace. It is a special building with a lot of special characteristics to it. First of all, we do have to look particularly at the security aspects of it. Second of all, it is loaded with communications gear. So we have to house that properly. We have to make special provisions for what would happen if there is an emergency. We have to recognize that with practically every embassy we have there is a big counterintelligence effort aimed at it, so we have to take the steps that are necessary to protect against that.

I know everybody agrees with what I am saying. We have to do these things. What it means is that you have a building that is more expensive on a square footage basis than you might otherwise believe. But that doesn't mean we shouldn't try to get these costs down in every way we can, and we are trying to standardize things. We have gotten the National Academy of Sciences to work with us and provide suggestions for a kind of idealized situation to work from. We are going to call upon private sector management to help us in managing the construction program. I think we have beefed up and improved the Office of Foreign Buildings.

We will look for a qualified bidders' list and we will subject things to competition. We will try to the maximum extent we can to buy things for these buildings that are off the shelf. We do not have to design everything special. I hope that we won't have to spend as much on some of these buildings as it looks—you are probably just as appalled as I am when we see some of these numbers, and there are reasons, but we need to be turning the crank. Obviously we do not want people to be a low bidder and be incompetent. We have had a few experiences like that, which this committee is very familiar with. That does not do you any good. And I am familiar with this, having been in the construction business myself, that if you are going to have a bidders' list, better be sure everyone is qualified and make them bond so that you are sure you are going to get the job done and get it done well.

All of these precautions we will take. We know that it is a huge job to manage this kind of a program and that we have to take special steps to see that it is done well.

We are not intending to implement a program that turns our embassies into fortresses. We think that you can provide security adequately if you have some forethought about it, and you can have inviting places. Nevertheless it is true that people who want to come into a U.S. installation want to feel they are coming into a place that is a secure place even if we are talking about a USIS library. People say you do not want to have a forbidding library; the whole point of having it is for people in the host country to come in. Agreed. And they will come in more if they feel that is a secure place where people have taken reasonable precautions to see to it that it is not going to be a scene of some terrorist activity. We are doing that.

BUDGET PERSPECTIVE

So, Mr. Chairman, I depart from just reading this testimony which you have, and I know that you are going to go into this budget intensively. We welcome that, but I just wanted to make these comments to you to give you a sense of my own perspective here and some of the reasons why it seems to me that something on the order of what we are proposing is needed. And it is not a joke if we just cut things, we are going to pay a heavy price. This budget has been worked over by us, by OMB, and by the President. We have gotten some things down, some things up. We do have to keep pushing, as we have discussed with this committee before, to build up our reporting analysis.

I might say the people in this country who are on the front lines right now are the people who are serving in this Department more than any other people. For that matter when we talk about intelligence, what is going on around the world, most of it is collected by our people, not clandestinely, by virtue of being there, being sophisticated, having an understanding, talking to people, reading, knowing the foreign languages, feeding that information in.

This is a terrific resource, and we have got to nurture it and build it and see that in the generations to come they continue to have this resource.

So I am here to talk to you about this and answer questions and hear your comments, and all in the spirit of trying to get the job done as economically as we possibly can. But at the same time we have to focus on getting the job done, and done well, which I believe we can do.

SECURITY IN EMBASSIES

Mr. **Smith**. Thank you, Mr. Secretary, for that overview and background that we need so badly.

I don't disagree with anything you said. As you know, this subcommittee has been supportive long before you became Secretary, or increased security in embassies, for the last five and six years, and I must say that the first three or four years we were talking about it, we got more lip service than we got action out of the State Department.

Often at the last minute some ambassador said, "I don't want that much security," and that was the end of it.

Secretary **Shultz**. Those days are over.

Mr. **Smith**. The last couple of years we have had some sincere efforts to do something about that. Let me just take a minute to go through what you probably already know because you have been to OMB and other places. Here is what I and other Members of the subcommittee face. We look at this overall budget and we are under constraints to stay within a $144 million maximum deficit.

If there were a freeze on everything, at last year's dollar level, which is a program cut for most everybody, we come out at just about $144 billion. So when the Subcommittee Chairman get together and talk about how they are going to divide up whatever is available, everybody starts from the basis of a freeze, but then you have to add to that $11.95 billion for Social Security, a total of about $20 billion for things that are pretty much going to be above the freeze that are off limits, and that is pretty much an agreement by both Congress and the Administration on those things. You have a $20 billion problem right there. So the pressure starts out with everybody having to stay within a freeze level. Anybody that goes above the freeze level, is really under tremendous pressure and you must be ready to explain why. In conversations I have had, the State Department's security program comes up. That is what puts the Department substantially above the freeze. Members will say: "Look, there are buildings all over the world, we can't do all that; take it out."

It is unfortunate that this program comes on right at this time. It would have been so much better if it had been proposed five years ago.

Secretary SHULTZ. I agree with that. So do some of the people who lost their skins think so.

Mr. SMITH. I am even having arguments about the $702 million in the supplemental. Whatever we can get into the 1986 budget is under the ceiling, so the more we can get into it the better. It is the $1.4 billion next year that gives us the major problem. There are really problems in trying to work this out, and I am with you. I think that these things are needed, and for the first time you have got a program. I mean, we know where you are headed and what you are intending to do on a multi-year basis, and I think we ought to stick with the program to the extent that we can.

I have a few questions that I really have to ask. You mentioned, of course, the first thing is to the extent you can, cut down on the facilities, both the size of facilities and numbers of facilities, That will save money.

Secretary SHULTZ. Yes, sir, we fully agree with that.

OTHER DEPARTMENTS' OVERSEAS STAFFING AND FACILITIES

Mr. SMITH. Now, as you mentioned, you don't have much control over what some other departments say they want overseas. Well, we have got to get some control.

Secretary SHULTZ. We are trying to do that.

Mr. SMITH. Well, how can we do that? Somebody says they want to give you X number of people, we have got to have a way to control that. And if we have to do it, we will have to do it in our bill. What are you going to be able to do to work out with other departments and agencies ways of controlling these numbers, looking through them and seeing how many can be cut out?

Secretary SHULTZ. What I am doing, Mr. Chairman, is I am talking to the head people in the various agencies, and focusing on particular embassies and on an overall basis. I have told the President about the problem. I intend to talk with him personally even more about it, and I hope that we will wind up convening a meeting in the White House of the relevant people, that he will ask me to chair, and we will just have to go through this. I do not think it is a question of trying to order people around.

Mr. SMITH. You are being ordered around.

Secretary SHULTZ. Although I like a little muscle myself occasionally, still it is not a question of ordering them around. It is a question of saying to them we have to respond to this problem, and do you really need these people. We have our ambassador in the U.K., Charley Price, who I told you is a member of this effort. We are working hard on this with him. He told me that last year there were 16,000 official visitors who came through London. Every time somebody comes, the embassy has to do something about it. They have full-time people just staying out at the airport to help, and we should. When congressmen come, we will knock ourselves out. But with the stream of people coming through there, you can't help but ask yourself, "Are all these trips necessary?" I am saying we have ambassadors for a reason. Now, let's use them to the extent we can get the job done by telling the ambassador to do it, that is cheaper. Sometimes you have to make the trip and there are no two ways about it. Ambassador Spiers and others have to go around and look over people's shoulders and do as we used to say in the business world: What were you doing out there, walking the job or kicking tires? And you know you have to go do that. There are all kinds of things and we are working on them. I agree with what you said.

CORPS OF ENGINEERS AND SEABEES

Mr. **Smith**. The next thing I wanted to ask you about was Corps of Engineers. Is there a way we can use them to a greater extent?

Secretary **Shultz**. Yes, sir. I will ask Ambassador Spiers to speak to that. We have used the Seabees a great deal. They have been extremely helpful to us in a lot of this building program, so we have drawn on their expertise. But insofar as the problem of managing this big building program, we think that what we ought to do is go to the qualified private enterprise and let them bid for pieces of this job. There are lots of very experienced international private concerns that we think can do a good job there. We want to draw on whatever the Government has to offer, but mainly we intended to go to the Seabees. There is a historic affiliation of the State Department with the Marines and the Naval services.

Mr. **Smith**. You have the Corps; they need some experience. So if in times of war they have gotten experience in constructing a different type of building, that is good for them as well as for the Government.

I know somebody in the Corps who was sent over to Hawaii for a year. He was saying that he sat in the barracks over there, for a year, and didn't have enough to do. "I went in there to learn something and to be a builder," he said, and "I need more to do." In your security supplemental there is a lot of work to do. Somehow or other we have to get the Corps into this program more than they have been in the past.

Secretary **Shultz**. Mr. Spiers, would you comment?

Mr. **Spiers**. We have given a lot of thought to this, Mr. Chairman. I think when you go on with Foreign Buildings hearings that you will want to go into this in greater depth. We know about the Corps' interest in helping us. We have had substantial discussions with them. However, there are some very formidable problems in having two different government agencies layered over a program that we want to have essentially conducted by the private sector who have different contracting procedures, different elements of experience and the like. What we have been concentrating on is improving the management of our own foreign buildings operation, which has really been quite bad in the past. I think you will be interested, when you get to that stage of the hearing, in hearing some of the programs and procedures that they are adopting. I have a lot of confidence now in the group that is running this work with private business, to do this in the most effective and straightforward way.

REPORTING AND ANALYSIS POSITIONS

Mr. SMITH. Well, let me ask you one more question before I yield. I have taken too much time already. We have been giving you essentially what you have asked for in reporting analysis positions. That is where the big increases have come from, that is where you have wanted them. Now, when you look at new positions, you have to start looking at reporting and analysis. Give us a little more detail for the record as to why you need more positions than we have been giving you in the last few years. Why can't you get along without the additions?

Secretary SHULTZ. Let me comment on that in a general way and then I will ask Ambassador Spiers again to comment in more detail.

What has happened over the years is that additional functions or demands get put on us for security, for administration, as the numbers of people grow, and we operate within a ceiling. That has tended to compress the reporting and analysis numbers. And when all is said and done, if we say what is it that the State Department is supposed to do, that is the heart of it—to be there, to understand what is going on, report, analyze and try to see what it means. That is our job, and that has been getting squeezed. What we are trying to do is consciously build it back to the kind of shape that we think it should be. We have had a program that we laid out year before last of what we wanted to do over a period of years, but you cannot do it all at once. You have to let this grow to a certain extent. You have to have a program of bringing people in their younger stages and progress them through and give them the kind of experience and exposure to build this back up again.

That is what we have been trying to do.

In terms of positions, we have made some genuine productivity savings. There is kind of a net process where we have saved some personnel. There are 609 new positions in the 1987 Salaries and Expenses request. Of those, 198 are in the reporting and analysis function. So that is the 198 we will focus on here. Then there are a variety of other things—information systems enhancement is one of the big ones, 144; security overseas, 117; and so on. But the 198 is for reporting and analysis.

Now, this committee has been very thoughtful about it. As we have been progressing in this program, you have given us the slots and we have won them from OMB, but then in the conference they tend to get diluted, so we come back up here again. It is a two steps forward—one back kind of process, which is I suppose the way things go.

Against these 609 new positions, we have made savings of a total of 201 positions. Eighty-two of those are in personnel administration. Eighty-four Americans represent administrative and consular productivity savings where we have managed to improve our efficiency. In other efficiencies at posts, we have cut down on Foreign Service nationals by 35. So we have 201 positions, we have said, against the 609, which is a net of 408. But the reporting and analysis is part of the total. Maybe we could talk in a little bit more detail. We have got a big spread here.

Mr. **Spiers**. I would like to submit the increase in overseas Reporting and Analysis positions for the record because I am not aware we have ever done it before. It talks of just what kind of people we need where. This committee has always been supportive. We have gotten support going into the conference. Every year the conference cuts it back. I think that this year they took out 75 positions which you had approved. So, as the Secretary says, it is two steps forward, which is what is visible to this committee, and then the step backward which emerges from conference. We just have to keep coming back to you on these things, and we are coming back this year for 198. This is part of the overall program for 400 people. We know exactly who we want and what positions for what purpose, and frankly we are going to continue coming back here until we finally decide whether we are going to achieve them or not achieve them.

[The following information was submitted subsequent to the hearing:]

1987 Request for Overseas
Reporting and Analysis Positions
By Bureau, By Country

BUREAU	Officers	American Secretaries	Foreign Service Nationals	Total
Intelligence and Research*	5			5
African Affairs				
Benin			1	1
Botswana	1			1
Burkina-Faso			1	1
Cameroon	1			1
Chad		1		1
Congo		1		1
Djibouti		1	1	2
Gabon	1			1
Ghana	1			1
Ivory Coast		1		1
Liberia	1			1
Madagascar	1	1		2
Malawi		1		1
Mauritania		1		1
Mozambique	2	1		3
Nigeria	1		2	3
Sierra Leone		1		1
South Africa	3	2		5
Swaziland		1		1
Tanzania	1	1	1	3
Uganda	1			1
Zaire	1			1
Subtotal	15	13	6	34
Near Eastern and South Asian Affairs				
Algeria			1	1
Bahrain		1		1
Bahrain	1		1	2
Bangladesh	1	1		2
India		1	1	2
Iraq			1	1
Iraq		1		1
Israel			1	1
Oman			1	1
Pakistan			1	1
Saudia Arabia	1			1
Sri Lanka	1		1	2
United Arab Emira	1			1
Yeman Arab Rep.		1		1
Subtotal	5	5	8	18

* INR overseas postions to be allocated as follows: two to the Executive Director, and one each to offices of analysis for Africa, Inter-American Republics, and East Asia and the Pacific

BUREAU	Officers	American Secretaries	Foreign Service Nationals	Total
East Asian and Pacific Affairs				
Australia	1	1	1	3
Burma	1			1
China	1	1		2
Fiji	4			4
Hong Kong	1			1
Indonesia	1	1		2
Japan	1	2		3
Korea	1			1
Malaysia		1		1
New Zealand	2	1	1	4
Papua New Guinea		2		2
Philippines	1	1		2
Singapore	2		1	3
Thailand		1		1
United Kingdom			1	1
Subtotal	16	11	4	31
Inter-American Affairs				
Antigua			1	1
Argentina			1	1
Barbados	2	1	3	6
Bolivia	2			2
Brazil			1	1
Chile	1			1
Costa Rica			1	1
Dominican Rep.			1	1
Guatemala			1	1
Guyana			1	1
Honduras	1		1	2
Mexico	3			3
Netherlands Antil	1			1
Paraguay	1			1
Peru	1		1	2
Surinam	1		1	2
Subtotal	13	1	13	27
European and Canadian Affairs				
Belgium	1			1
Bulgaria		1		1
Canada	1			1
Finland			1	1
France	2			2
Holy See			1	1
Hungary		1	2	3
Italy	1	2		3
Netherlands	1	1		2
Poland		2		2
Portugal		1		1
Spain			2	2
Turkey	2	1		3
USSR	1		1	2
Yugoslavia	1	1		2
Subtotal	10	10	7	27
GRAND TOTAL	64	40	38	142

LEBANON HOSTAGES

Mr. **O'Brien**. Mr. Secretary, it is good to have you back. It is always a pleasure to listen to you.

Secretary **Shultz**. Thank you, sir.

Mr. **O'Brien**. Somewhat off the discussion you had with the Chairman, I have been deeply interested in the Lebanon hostages, for a personal reason. One of the hostages is a personal friend, a priest. And to make a long story very short, I have had a number of discussions with the State Department, to see if there could be something I could have done to assist in releasing him without violating any particular basic moral convictions.

Secretary **Shultz**. Well, first of all, let me say we try and continue to try and want to work with you and others to leave no stone unturned in trying to get our hostages back, and we look at everything.

Mr. **O'Brien**. Thank you, Mr. Chairman.

Mr. **Early**. Thank you.

SECURITY PROGRAM

Mr. Secretary, you make an excellent case for additional security abroad, which is all well and good. At the same time, look at the other domestic security problems we have here which are also important. The director of the Bureau of Prisons says the inmate population has increased 49 percent in the last four years, and we want him to take a $24 million cut due to the 4.3 percent sequestration. The office buildings down here at the Capitol are indefensible. We have thousands of cars driving in every day. All we need is one explosion there and then we will need a massive security buildup around here too.

You come in with this $707 million security supplemental request which will cost $4.4 billion through 1991—for how many embassies, how many facilities?

Secretary **Shultz**. We have in our proposal a complete list of everything and the number that is affected.

Mr. **Spiers**. It really affects every post we have because the security program is much more than the construction program, and we have 260 posts around the world. As far as the rebuilding of embassies is concerned, the number is about 60 or 70.

Mr. **Early**. Is this going to provide us with adequate security in all of them?

Secretary **Shultz**. It improves it.

POST CLOSINGS AND THE NEED FOR REPRESENTATION

Mr. **Early**. We have asked Secretaries of State over the years about closing particular posts. For example, one of your predecessors closed some of the embassies people didn't want. But the State Department never wanted to do anything. Kissinger wouldn't even close Libya, and he gave us a big story about why we couldn't. The State Department comes in and says you have a post in Ghana, which is totally indefensible, but you won't close anything. And in every country I have been in they don't like us. I would think if we closed a few more, the advantage of having American dollars and our presence there would come to fruition, and we would be appreciated.

Mr. Secretary, a number of years ago you come in for the Cairo, Egypt Chancery project, which still hasn't been completed. The State Department went right at it like nobody else knew anything about it but them. It was obvious that the Kramico Company couldn't do the job. But the State Department said we are going to award them the contract no matter what, and didn't pay any attention to anyone here about hiring an American company. That is tough for me to understand, Mr. Secretary.

Secretary **Shultz**. Inasmuch as post closings are concerned, we have gone through the list, we have proposed seven closings. We hope that that will be upheld. We think that we can operate satisfactorily without those. We have thought that through. If our budget is cut more, we will come up with more post closings. But as I have said here, I think it is very important that we have representation. It does us a lot of good. Let me give an example.

A lot happened recently in South Yemen, a country in a very critical geographic location, and we, I think, reacted pretty well to it, but we were badly handicapped because we have no representation there—no posts, no nothing. We were dependent on what other people told us. We were quite handicapped in understanding what was going on there because we had no representation. I do not think it follows that we should not have representation in places that are not our friends. We get a lot of good reporting from our embassy in Nicaragua, outstanding reporting. We get outstanding reporting and help from our embassy in the Soviet Union. So I do not think we should say just because we have problems somewhere, we should not have our representation. It does us good.

BUILDINGS IN CAIRO

Mr. **Early**. In the private sector, you know we can't be all things to all people and we can't do everything.

How about the Cairo Chancery project; did anybody in the State Department get fired? Everyone was aware that that company was a fraud and had problems from day one. The only ones that didn't agree with it were a couple of bureaucrats at the State Department—so, the contract went out. How much did we lose there?

Secretary **Shultz**. We believe that we will be able to sell the chancery. So we will probably do fine on that, but that is not because we handled it wisely. We didn't. We did it poorly. And we are taking the present residence and upgrading it. We think we will be all right on that basis. We do have an embassy, a chancery building that is being proposed in Cairo. We will be managing that. I think, effectively at least, we are bearing down very heavily on the question of our Foreign Buildings Office and the method of managing this construction project, because we have to do it well.

USE OF SEABEES

Mr. **Early**. Let's go to the Under Secretary's earlier response to the Chairman regarding the use of Seabees. The response was, well, it's two different government agencies and both want to get in. We have to overcome that. Why do you suggest the private sector if we have to use the Seabees. Wouldn't the use of Seabees cut down on a new expense.

Secretary **Shultz**. We are using the Seabees.

Mr. **Spiers**. The Seabees are different from the Corps of Engineers. The Seabees do an awful lot of work for the State Department. They do most of our security-related construction. The Corps of Engineers, as I understand it, would in effect have them supervise the program. This is a State Department program, and we are the ones who know what we want, where we want it, and we are developing the capabilities to do this.

On Cairo you are dead right, that was I think a totally inexcusable chain of events and the fact that it happened before I got on this job doesn't change my view of it. And we have now contracted with an American company. As the Secretary said, we lucked out on that. That is not due to any virtue on our part, but we are determined to develop and adopt procedures which avoid recurrences.

SECURITY CONSTRUCTION

Mr. **Early**. You said it is a State Department problem. It's everyone's problem. I would think we have got to have a little consolidation and coordination between agencies and get off this turf ego, whether it's State or anybody else. You know, for years the State Department, Mr. Secretary, under several administrations, has had construction problems. Why can't we formulate adequate standards for building our embassies so we don't have repeated architecture and building expenses and problems year after year?

Can't you do that?

The prisons are doing it. They had a lot of the same difficulties—difficult terrain, difficult this, difficult that. There should be set standards. I understand that the State Department is suggesting to us that you are going to have a basic plan. Is that right?

Secretary **Shultz**. That is exactly right, and this is what we work on with the National Academy of Sciences. All I am saying is that we know we have a big building program. It is a management job of difficulty, and importantly, and we are trying to go about it in a thoughtful, orderly way so that we get good things and we get them at the lowest cost possible.

Mr. **Early**. State has been telling us for years that you have building problems. It's absolutely crazy. How many of the problems are architectural? I don't know who hurts us more, architects or lawyers.

Secretary **Shultz**. I understand, Congressman. Remember when it was so cold here one day, it was so cold that somebody saw a lawyer walking down the street with his hands in his own pocket.

Mr. **Early**. It could never get that cold.

Mr. Secretary, on the buildings. As you know, some people may be able to denigrate whatever we build regardless of the security measures taken. They have unique communications systems, extensive communications systems. One could make the same correlation with prison construction. For example, if we are going to build a prison for a thousand inmates—a maximum security facility—but at one half the cost. What percentage of your building expenses are for normal design verses security construction.

Mr. SPIERS. For security, the normal design and construction is 52 percent of the cost; special security construction is 32 percent.

Secretary SHULTZ. Site acquisition, design, most of it is construction, 52 percent of it.

Mr. SPIERS. Communications themselves are 26 percent of the 32 percent.

Secretary SHULTZ. Roughly a quarter of the cost is communications, special communications. For example, you have to pay attention to the thickness and nature of the walls. You have to be careful that the capacity of the floors to carry weight is sufficient given the kind of equipment that you may want to put in there. So things like that are what tend to run up the costs.

VOLUNTARY SERVICES

Mr. EARLY. You said Philip Habib is working for nothing. You are not paying him?

Secretary SHULTZ. That is the way it is.

Mr. EARLY. Why don't you find a few more volunteers?

Secretary SHULTZ. Phil is a wonderful patriot and I don't think, given his retirement allowances and so forth, that if you tried to pay him you would actually net him out very much. but I don't want to make too much out of this point. All I am saying is that very important functions are performed here by the State Department and the Foreign Service, and these people knock themselves out. And just that example came to mind because I was a little late for seeing him off. He is one of the heroes around here. He just comes and does things when he is asked.

DIPLOMATIC SECURITY

Mr. EARLY. He has been around a long time. I can remember him 12 years ago. What type of security protection does he have? Do you have security problems with his type of visits? Mr. Kissinger used to have so many people with him they couldn't shoot him. They couldn't get close enough.

Secretary SHULTZ. Well, he has his own special approach to that. It varies, depending upon where he goes. We keep very close tabs on threats to individuals and I don't want to really discuss in detail the way we go about i'

Mr. EARLY. Thank you. Thank you, Mr. Chairman.

Mr. SMITH. Mr. Regula.

Mr. REGULA. Thank you, Mr. Chairman.

CONTRA AID

Mr. Secretary, under the President's request for $70 million, and $30 million humanitarian, to the contras, it's been asserted that if approved by Congress, the contingency fund of the intelligence agencies would also be available. If this is true—and you probably want to comment on this—would it not permit unlimited funding over the $100 million level?

Secretary SHULTZ. No, sir. I understand that the lawyers have argued over precisely what the language implies, but as to Administration's approach, I will say for the record that what we are asking for is put out there, and for anything that would be felt to be needed in addition, obviously the Congressional procedures in place would have to govern.

Mr. REGULA. So you are saying that in fact $100 million is the cap?

Secretary SHULTZ. That is the amount, unless there is a need for more and we come and the Congress agrees that——

Mr. REGULA. I understand that. In other words, what I am saying is that—I think I understand you—that $100 million is the amount that could be spent and any additional money would have to have subsequent approval by the Congress?

Secretary SHULTZ. Yes, sir. There is a tranching of it in their regular oversight procedures that would apply, so it isn't as though you have a big slush fund and can do anything.

Mr. REGULA. The $100 million is flowing cash, or would it be $100 million in the form of goods that would be provided, guns or what ever?

Secretary SHULTZ. Well, in the end, of course, what you want is food, clothing, medical supplies, communications equipment, antihelicopter, antitank, and so on, a complete range of things, so at some point any money gets converted into real goods. Just exactly where in the chain that would take place no doubt will vary according to what we are talking about.

Mr. REGULA. I guess the question is, who would spend that money? Would it actually get into the hands of the contra leadership to make the purchases, or would we make them at their request but still control an actual expenditure of funds?

Secretary SHULTZ. It would vary, I am sure, but we do everything we can to assure ourselves that the money is being spent for the purposes that we have in mind. Now, obviously, in a chain that starts with an open amount of money that is voted and winds up in a country where we do not have a presence, you don't know everything about exactly whom a rifle or whatever goes to, how it got there and so on, but you have a pretty good idea.

BUILDING SECURITY PROGRAM

Mr. REGULA. I understand that TRW has compiled or put together a working group of major corporations to manage the overseas building security program for State. I am wondering if there are any opportunities for small businesses to participate in this program, given the size of it in dollars to be expended.

Secretary SHULTZ. There obviously are lots of opportunities because we will be procuring all kinds of things for these buildings. But as to the TRW matter I am going to ask Ambassador Spiers.

Mr. SPIERS. I am going to ask Mr. Dertadian to comment. I think it is one of the companies that are gearing up to bid.

Mr. DERTADIAN. We have already published a synopsis about our interest in soliciting private-sector programs, management assistance, and TRW was one of many firms. We will be going out for RFPs in April to firms and they are on the qualified list. They will have to respond to that RFP, and we hope to be able to make an award in the late summer depending on what happens with the budget.

Mr. **Regula**. Will there be any type of American preference as to the contractors that will do the construction?

Mr. **Dertadian**. We have a strong preference for American contractors in the construction. In anything that involves security of the construction, we will actually be using cleared contractors with cleared American personnel. Under the Percy amendment, contractors have a 10 percent advantage in bidding. In fact, the last six embassy contracts we have awarded have all gone to American contractors. They have been competitive. We have upgraded significantly on contractor qualifications and experience and financial requirements, which help them to be competitive. We anticipate they will have a major part in terms of construction. Certainly on the program management side it will have to be an American firm with cleared American employees.

JAPANESE TECHNOLOGY

Mr. **Regula**. Mr. Secretary, the Post yesterday carried a front-page article about the Pentagon dependence on Japanese technology. Do you in State share the Defense Department views expressed in that article, their concern about such form of reliances for critical parts, and should we somehow address this, in your judgment, both by the executive branch as well as by the Congress?

Secretary **Shultz**. I am not familiar with the Post article, I am sorry.

Mr. **Regula**. It mentioned about computer chips. Japanese production is so advanced over U.S. that our Defense Department has to buy from them because they are not available in the United States and that certainly creates a dependency. Defense officials expressed a concern about it. I just wonder what the State Department's position, if any, would be on this.

Secretary **Shultz**. Clearly we don't want to be dependent on somebody else for something essential, and particularly not dependent in knowing how to do it. At the same time, we benefit from international trade in all manner of things, and we need to subject our electronics industry to competition if it is going to be up on the front burner. So, in some manner we need a combination of recognizing the interdependence of this world and the virtues of competition while not letting ourselves get in a position where we are excessively vulnerable. That is a general kind of proposition but I don't know the details of what you just gave me.

Mr. **Regula**. In conjunction with that, there was just issued a report. Given a somewhat 10-year projection, they make the point that by virtue of the United States and the Soviet Union devoting such an enormous slice of its resources, particularly engineering technology and so on to defense, in the interim the Japanese will concentrate on the domestic type of products and that they will in the near future, both near- and long-term, become the premier industrial country in the world, in terms of nondefense technology.

I wonder if you have a concern about that? This would be an example, the computer chip market, and I last week heard the head of a major automobile company state that they, in the redesign and development of their next generation of medium and small cars, are going to have the Japanese do it because they have the skills, the technology to do so. Do these kinds of things concern you?

Secretary **Shultz**. I am concerned and I pay attention to them, but I do not accept that the Japanese are going to come to dominate everything. In the first place, our defense budget does not dominate our budget. It is a small—not a tiny—fraction; it is a small proportion of our gross national product, a smaller fraction than in many past years.

In the second place, in terms of research, a lot of what our Defense Department sponsors by way of research has big commercial spinoffs to it. In fact, I think over the years the Defense Department's research arm has been one of the great sponsors of productive, generally productive research. Obviously there is a great spinoff. Now, you take the President's Strategic Defense Initiative program. People around the world are interested in being a part of that program, if they can, whether there are some governments who favor it or not. All want to be part of it because they see that it is a very advanced technological concept and anybody who takes part is bound to benefit beyond the particular contract involved.

MOVING TOWARD THE INFORMATION AGE

Personally, I believe that we, and perhaps some other countries—maybe Japan—have long since moved out of the era where our employment is dominated by agriculture, important as agriculture is. We produce food with a small fraction of our total labor force now as contrasted with times past, and cost contrasted with many other countries. But we are also moving out of what you might call the industrial age. Not that we will not see manufacturing, but manufacturing is being done in different ways. So that the symbol of industrial might is not going to be the steel mill and assembly line, but something different, and it has to do with the information age. It is a new era that we are going into.

We are very much in the forefront of it. In a way you can describe SDI as a gigantic information system, and for that reason people want to take part.

My point is that we are in the forefront, not in the background of those developments. Our economy is roughly a little over double the size of the Japanese economy, and our expenditures, private and public, on research and development are very large. And you can see in all sorts of indicators like Nobel prizes and things like that, that we are doing all right.

On the other hand, there are things that worry you. I saw a piece—I don't know how much credibility to put into it—that when high school students were measured according to their math aptitude, Japan was way out in front and we were down below the 50 percent level. Now that worries me. And that doesn't go to the sort of things we are talking about. This goes to the structure of motivation, our educational system and things of that kind where we need to be paying attention, and I guess we are more and more. That is the kind of thing that would concern me. We have to compete, and we can compete.

Mr. **Regula**. Thank you, Mr. Chairman.
Mr. **Smith**. Mr. Carr.

SAUDI ARMS PACKAGE

Mr. **Carr**. Thank you, Mr. Chairman.

I apologize to my colleagues and the Secretary for being late this morning. I got tied up on the phone and couldn't get off. I expect this happens to all of us one time or another. I have a few questions to ask. I regret if they have been asked. I don't want to needlessly chew up time here.

My first question, Mr. Secretary is about the Saudi arms package which the administration sent up, a proposal for some 2700 air-to-air missiles, I believe, in that package.

Secretary **Shultz**. There are basically four items. I don't have the list in front of me or the numbers. Anyway it has been submitted.

Mr. **Carr**. I understand it included air missiles, 2700 of them or so?

Secretary **Shultz**. There is a specific request. I can put it into the record. I don't have the numbers. There are basically four different kinds of defensive-type arms and they are things that the Saudis have, and we are increasing their capability. I think there is very good reason for doing so—basically having to do with our strategic interest in the stability of the gulf area, and the contribution the capability on the part of the Saudis makes to that.

[The following information was submitted subsequent to the hearing:]

Proposed arms sale to Saudi Arabia

The sale now before Congress includes the following:	*Million*
671 AIM-9P4 air-to-air missiles	$60
995 AIM-9L air-to-air missiles	98
200 Stinger Manportable ground-to-air missile systems and 600 reloads	89
100 Harpoon air-to-sea missiles	107
Total	354

IRANIAN THREAT

Mr. **Carr**. The newspaper said that part of the rationale for the sale is the Iranians' threat, and that seems to be an ever-present threat, in the Middle East.

Secretary **Shultz**. As a matter of fact, at the height of that, people refer to it as the tanker war in the gulf. The Saudi fighter planes, planes that we sold to them, played a very vital role, a key movement I thought, and did provide a jolt and a sense of stability. That was a very good thing. It is good for us that there are countries in the region that can do those things.

AIR-TO-AIR MISSILES

Mr. **Carr**. If you will be submitting something for the record, if my assumption or my information is correct, that there are 2700 air-to-air missiles in that request, could you also include a rational for the number of missiles? I understand that Iran, for example, may have less than 100 combat-capable aircraft and maybe you could give me the mathematics of how, given the numbers threat, how you arrive at the numbers of defensive systems that are included in the package and why that number as opposed to some other number.

Secretary **SHULTZ**. We will have a submission and a justification. I think that there is a process that involves so-called informal notification which is really pretty formal. Then it is followed by a formal notification, and accompanying that is a statement about what is being proposed and why. I will be glad to make that available to you.

[The following information was submitted subsequent to the hearing:]

METHOD OF CALCULATION

The numbers of missiles contemplated in this sale are based on a U.S.-validated assessment of the threat Saudi Arabia can expect to face during the period the missiles will be in the Saudi inventory, i.e., starting in the early 1990s. Standard U.S. Department of Defense methodology was used in making the calculations, which justified the missile numbers included in the Saudi request. For example, the number of air defense missiles was calculated on the basis of a formula which takes into account a variety of factors including the number of potential enemy targets, the types of Saudi planes, missile shelf-life, obsolescence, training and maintenance requirements, and probability of kill. While we feel the number of missiles we have agreed to sell is appropriate, it is approximately half what the Saudis originally requested.

Mr. **CARR**. I would like that and the details of how they arrived at these numbers. We get these requests for this number or that number and there has to be, they don't pull these numbers out of the air, they are rational numbers.

Secretary **SHULTZ**. I agree with that.

MURDER OF AMBASSADOR NOEL

Mr. **CARR**. I am interested in finding out how they are arrived at. In 1973 we had the unfortunate murder of our U.S. ambassador to the Sudan, Cleo Noel. There have been some reports around that a tape exists wherein Arafat's voice is recorded as ordering the murder of our ambassador. Does any of this bring anything to mind, or is this a malicious rumor, or could you tell us anything about that?

Secretary **SHULTZ**. I understand that the Justice Department is investigating any evidence connected with that murder, including anything that connects or possibly connects Mr. Arafat with it.

Mr. **CARR**. But you don't have any knowledge of a tape, you can't confirm or deny that?

Secretary **SHULTZ**. I do not know.

Mr. **CARR**. You don't know of any type——

Secretary **SHULTZ**. I don't say—it isn't as though I have not spent a great deal of time researching the question personally. It may be that something exists that I don't happen to know about.

Mr. **CARR**. I understand.

Secretary **SHULTZ**. It is being investigated by competent people.

PALESTINIAN REFUGEES AND UNRWA

Mr. **Carr.** I would hope inasmuch as this information came to me after we had Attorney General Meese in front of us, we might be able to propound some questions along this line, see what the Justice Department has.

Now, with the at least seeming collapse—I don't want to mischaracterize it, but it seems to me there is a collapse of the peace process in the Middle East, at least temporarily. There still remains the problem of the Palestinians living in refugee camps in the Middle East. And one of the reasons this problem continues to fester is because of the status of the Palestinians as a group, as refugees, that the status is perpetuated through the U.N. Relief and Work Agency.

It seems that that agency wants to keep that status, if I am not mistaken in my information, and yet we provide the bulk of the funding for that agency. Isn't it time that we take another look at funding and the purposes of this agency, and aren't there other organizations, such as UNDP, that can look after their Palestinians' needs better than the other agency?

Secretary **Shultz.** I don't know of any argument that this particular agency is doing a poor job as compared with what some other agency might do. The argument would be whether you think it is a proper thing for U.S. money to be spent on trying to be helpful to people, to Palestinians in the situation they are in. Personally, I think the group in the Middle East that has taken, in many ways, the worst beating are the Palestinians. They live often in terrible conditions, they have no real outlook. And as your questions suggests, that is one of the reasons for the festering problem. We need to address it.

Mr. **Carr.** I guess it would be better if I state the question thusly: Does the U.N. Relief and Work Agency have responsibilities other than the Palestinian refugees? It seems to me that that is all they do. If that is all they do, why don't we start pushing—not get rid of them, but getting the job done. Maybe it would make more sense to have the UNDP take over that function?

Secretary **Shultz.** The structure of how this works I don't have offhand in my mind, but I will be glad to put a statement on it in the record.

Mr. **Carr.** That is all right.

Secretary **Shultz.** I think it has to do with the U.N. High Commissioner on Refugees. I am not certain just how it works.

[The following information was submitted subsequent to the hearing:]

United Nations Relief and Works Agency

The General Assembly created UNRWA to provide education, vocational training, health care and relief services to Palestinian refugees. UNRWA's mandate does not extend to the resolution of the political question of Palestine nor to resettlement of the refugees. The Agency is not responsible for the political events which have perpetuated the refugee status of the Palestinians.

UNRWA provides some measure of stability in the lives of the Palestinians. UNRWA programs of education and vocational training have enabled most of the Palestinian refugees to become economically self-sufficient. UNRWA's primary and preventative health care programs have significantly reduced infant mortality and disease among the refugees, thereby contributing to their well-being.

The suggestion that the U.S. look to the UN Development Program to assist the Palestinian refugees is not realistic either in political or practical terms. The UNDP is not charged by the General Assembly or constituted to address this refugee group's needs which are not developmental in nature. Until such time as a political solution has been found to the Palestinian question, we believe that UNRWA programs best serve the needs of the refugees and that our support of the Agency serves U.S. humanitarian and political interests in the region for a just and lasting peace.

STATUS OF INTELSAT

Mr. CARR. Last Wednesday we had a little discussion about Intelsat. I would like to ask if any nations have discussed this issue with the State Department in the intervening year.

Secretary SHULTZ. I am not sure of the answer to that.

Mr. SPIERS. I do not know.

Secretary SHULTZ. I will get a statement for the record.

Mr. CARR. And also in that line of questioning, I understand that no construction is underway by satellite companies because no operating agreements have been issued by foreign countries. They have to get a downlink approval. And I am wondering if you can update us from the record last year on what the State Department is doing working with the FCC and the Department of Commerce and Secretary of Commerce, in this whole matter so we can track this year to year.

Secretary SHULTZ. I will have a response.

[The following information was submitted:]

SEPARATE SATELLITE SYSTEMS

Over the past year the Department of State, in close coordination with the Department of Commerce and the FCC, has continued its efforts to gain support for the U.S. policy of allowing U.S. satellite systems separate from INTELSAT to offer a limited range of international services. We have systematically involved our posts abroad to brief host governments on the issues and U.S. actions related to separate systems. During that time, we have seen growing acceptance of the U.S. decision on the part of the major shareholders of Intelsat.

Representatives of the Department of State continue to discuss the issue with other countries at every appropriate opportunity. This includes all our major trading partners and key countries from the developing world. It has been a key agenda item in our broadly-based telecommunications bilaterals and has been raised in some of our trade discussions as well. The status of Intelsat was discussed at last summer's World Administrative Radio Conference on satellite communication (Space WARC) last summer. An accommodation was reached that adequately protects Intelsat's interests while allowing flexibility for the development of new systems.

During the period, a number of changes to Intelsat procedures have been proposed in Board of Governors meeting that would have hampered and possibly foreclosed the possibility of any of the current U.S. applicants from successfully coordinating their systems with Intelsat. To date those moves have not been successful. Further, despite efforts by the Intelsat Executive Organ to persuade foreign telecommunications monopolies to not sign operating agreements with U.S. separate systems applicants, we understand that some of the applicants may be nearing agreement with overseas administrations. There are also indications that other countries such as France, Ireland, Australia and Japan may be considering private international systems outside of Intelsat.

PROGRAM IMPACT IF 1986 SUPPLEMENTAL IS NOT APPROVED

Mr. CARR. Now, you have requested funds in the fiscal year 1986 supplemental as well as the 1987 budget for overseas building program. I would like to have you tell me how the program would be impacted if the supplemental is not approved.

Secretary SHULTZ. Well, if there is no money, there is no program. It is that simple.

Mr. CARR. It is not "no" program, it is delayed. You would still have it in your 1987 budget. Suppose we don't approve that and we do approve it in the 1987 submission; what does that do as a practical matter?

Secretary SHULTZ. Well, it delays matters and it raises costs. You could go through item by item what the supplemental is for and speculate about the effects on it. I think we are all—I am working on the assumption that we have a real problem out there. People's lives are at risk, and so as we unfold this program, we should do it as expeditiously as we possibly can so that we take advantage of what we know and provide people proper security.

Mr. CARR. I guess I am trying to help you in that regard. I am trying to get the department to supply us with a record as to what dire consequences there will be if we don't get this supplemental. That is really what I am asking you.

Secretary SHULTZ. Okay, thank you.

Mr. CARR. If we get some details into the record, I think it will enhance our chances of arguing for this supplemental appropriation.

[The following information was submitted subsequent to the hearing:]

PROGRAM IMPACT IF 1986 SECURITY SUPPLEMENTAL WERE DELAYED UNTIL FISCAL YEAR 1987

The effect would be very severe. Crucial operational security programs for perimeter and residential security would be delayed several months at critical and high threat posts when the world-wide terrorism situation is getting worse. We would who also have to delay protecting foreign diplomats in the United States who are in life threatening situations. Further, we would have to stop construction of chanceries abroad in various critical and high threat posts. This would prolong the danger to our employees at those embassies and increase the costs of these buildings by having to stop construction in fiscal year 1986 and restart construction into fiscal year 1987.

PROGRAM MANAGER CONTRACTS FOR U.S. FIRMS

Mr. CARR. It is my understanding that you have a plan to have this building program managed by the private sector. I was wondering if you could elaborate on how the private sector would be involved.

Secretary SHULTZ. Yes, we can. We conceive of this program as being broadly managed by the Department of State and our Foreign Buildings Office. In order to take advantage of the expertise in this country, we intend to package the program in portions and ask U.S. firms to bid on the management aspects of this program so that we take advantage of that expertise. We do it on a competitive basis.

We also have a very considerable amount of help from the Seabees in a kind of ongoing day-to-day type effort that is being made throughout our program. But in response to the question of are we involving the private sector in doing this, the answer is yes, we are.

Mr. **Carr**. Have you worked out how the Foreign Buildings Office is going to manage these multiple program managers? Have you worked that out yet?

Mr. **Dertadian**. Essentially it really is going to be oversight, control management of the work that is done. The private sector will actually do the work. We will be organized into routine disciplinary teams including architects, engineers, real estate experts, security, State Department security experts, communication experts. Those teams will work with the program management organization and we review their work and make decisions on their recommendations. They will also make sure that the program management firm is doing the work we ask them to, and that the charges they are giving us are charges that are accountable and correct.

Mr. **Carr**. Will you have an individual whose task it is to be the person, the contact person or the overseer person of the various program managers?

Secretary **Shultz**. Yes. Each team will be headed by a team leader and that will be the first-line representative with the FBO program manager. We will also have a director of capital programs in our management capacity who is involved with the whole project.

Mr. **Carr**. This is something a little new for the Department, is it not?

Mr. **Dertadian**. It is something that is new for the Department but it is not a concept that is necessarily——

Mr. **Carr**. It is not a difficult concept. Are you going to need more people to do this?

Mr. **Dertadian**. We have estimated that we will need 117 more people in terms of administrative support.

Mr. **Carr**. Do you have a timeframe for these awards?

Mr. **Dertadian**. We expect to award the first program manager contract in August or July, and we expect to award the second one in January.

INTEREST OF ARMY CORPS OF ENGINEERS IN BUILDINGS PROGRAM

Mr. **Carr**. I understand the Army Corps of Engineers is interested in getting into some of this business. What is your view of that?

Mr. **Dertadian**. We have been talking with the Corps. They are interested. We particularly talked with them about the need we have for additional positions and expertise. Rather than going out and trying to hire people to fill our positions we have told the Corps we would be very pleased to take some of their people on detail for the duration of the program to fill those positions. They are not interested in that. They have told us that they are interested in managing the program and so we are discussing this with them, but that is their interest. If they are willing to provide us with personnel that we need, with the expertise, we certainly would be willing to look at them to fill the positions.

Mr. **Carr**. They want to manage the program?

Mr. **Dertadian**. Yes.

Mr. **Carr**. That would be rather unusual, wouldn't it?

Mr. **Dertadian**. Well, we have had some discussion before you came in on that.

Mr. **Carr**. I am sorry.

Mr. **Dertadian**. It is difficult.

Mr. **Carr**. I will read the record.

Mr. **Dertadian**. We have accountability for the program with the Congress and the President and it would be difficult with two government bureaucracies.

Mr. **Carr**. If you have covered it, I will read the record.

PHILIPPINE STRAITS

Mr. **Rogers**. Mr. Secretary, congratulations on your very tedious and successful negotiations in the Philippines. A lot of us are quite proud of the accomplishments we think you and the administration had in that successful transition over there and the lift that it has given not only to them but to us and all free people around the world.

I wonder if Phil Habib speaks Korean?

Secretary **Shultz**. Phil Habib served as ambassador to Korea for quite a number of years and, as a matter of fact, he is very proud of the ambassador's residence which he never lived in, but which he planned and took a heavy part in. They call it "the house that Habib built" out there.

I might say the situation in Korea is very different from the one in the Philippines, and people should not jump to conclusions that one thing is like another.

COMPONENTS OF SUPPLEMENTAL REQUEST

Mr. **Rogers**. Mr. Secretary, as our chairman has said, we are feeling the pinch of the tight belt like we have never felt it before, I suspect, which makes a request of $4.4 billion, frankly, for all the security programs over the next five years a rather significant request.

I think all of us certainly join you in wanting to be as helpful as we possibly can in protecting our people overseas and here. But even the strongest of us in that vein are forced to look extremely carefully at each request. And in filtering through the admittedly brief summaries of the descriptions of the requests, some of these requests really stand on more than just the security of personnel leg. There are legs like we need more space, or we would like to have a better residence or such-and-such is a fire hazard, which are not really related to terrorists or a threat to personnel from an external source. For example, I am drawing one out of the hat here—the request for Somalia, $19.2 million, where it says, among other things, it is severely overcrowded. Plans call for construction of a chancery and an ambassador's residence and deputy chief of mission, cost increased because of security features and also space requirements for a USIA building and general service complex.

I am sure we can go through a lot of these and find justifications other than security of personnel. I am sure, too, that there are places that have been shopping for facilities for a long time. They see under the new codeword security a chance to get something they have always wanted, which is probably needed. I would hope that when this comes back up for a detailed hearing with FBO, the particular agency, that they will have refined that list, sir, and can be prepared to defend each request based on security of personnel needs. And I get the feeling from this subcommittee and Members of this body of Congress that we are going to look at this extremely closely. I would hope that you would be onboard at least with information that would arm us with the ability to defend each request based on security of personnel, security of premises, maybe save other needs until later, because I really think it is going to be tough to justify cutting some domestic programs if we can perceive them to be vital or some building overseas, unless it is based on security.

Secretary **Shultz**. Well, I take your point very seriously and we will want to work carefully with the committee going through it piece by piece. It is for reasons such as you have suggested that we believe that we ought to be looking overall at the number of Americans that need to be housed, whether they are in the State Department or in some other agency.

As we were discussing earlier, 70 percent of the people are not State Department people. Nevertheless, if they are there and it is determined that they should be there, then they have to be housed, and the security aspect of their housing needs to be considered. Of course, what is needed to be done for housing people beyond their workplace varies a lot according to the country involved. Usually it makes sense to have at least many of our own properties in that regard.

I might say also that within the framework of the security, we have both the communications capability on the one hand and the counterintelligence aspects on the other. We include that within the framework of security, broadly speaking.

Mr. **Rogers**. Well, I would hope that as we get into this matter more in detail that your people would be prepared to assist us in screening out perhaps some dollars so we can get down to the bare facts.

Secretary **Shultz**. Yes, sir, we want to get it down as much as we can. If we find things in there that can properly come out, we will take them out. We will be right with you. But we believe that that was done when the Inman panel went through it and we went through it. I don't say everything is right, but there has been a lot of effort put into it.

DOMESTIC PROGRAM

Mr. **Rogers**. Now you are asking $4.4 billion for the security program, $2.7 for construction, the balance for operating expenses and adding security officers, among other things. Can you tell us what part of that is for domestic U.S. personnel?

Secretary **Shultz**. Yes, sir, we can give you a breakdown. Probably somebody can do it.

Mr. **Lamb**. The biggest request is on the domestic side, it is for 126 security officers to protect foreign dignitaries, ambassadors, and consular officials in the United States. The bulk of the others are either overseas or overseas support for overseas activities.

NEW YORK PROGRAM

Mr. **Rogers**. What part of the 126 is at the U.N.?

Mr. LAMB. None would be in the U.N.

Mr. ROGERS. Other than U.N.?

Mr. LAMB. Other than U.N. The New York program works fairly well, we wouldn't see replacing that.

Mr. ROGERS. You are asking for $600,000 more for New York, $7.6 million rather than $7 million. Right?

Mr. LAMB. Yes, sir.

PROTECTION OF FOREIGN AMBASSADORS IN WASHINGTON

Mr. ROGERS. So the additional 126 personnel will basically be in Washington?

Mr. LAMB. Primarily in Washington, because the biggest job is protecting foreign ambassadors. We have a series of programs this committee has given us over the years for the protection of foreign diplomats.

Mr. ROGERS. How many do you have in Washington?

Mr. LAMB. Practically none. No agency has, really, authority to protect foreign ambassadors, provide personal protection for foreign ambassadors in Washington. That is why we are asking for the money to start this program.

Mr. ROGERS. This is new?

Mr. LAMB. This is new.

Secretary SHULTZ. We have had a considerable discussion between ourselves and the Treasury about this. On the whole, we would have preferred that the Secret Service do this, but the Secret Service did not wish to do it, I think basically because they did not want to dilute their attention on protection of the President. We have accepted that somebody has to do this, so we will have to do it. It is very important to us to do a good job here because we should, but also because abroad we say to the host countries "You are responsible to provide security for us in your country." And so the principle of reciprocity applies very strongly here.

VIENNA CONVENTION

Mr. ROGERS. What prompted it this year? Was there some particular instance or request or agreement that prompted this all of a sudden?

Mr. SPIERS. This is a responsibility we have under the Vienna Convention that we have never been able to fulfill, and it has been clear to us for a long time that it is a costly failure in terms of our relations with individual countries. When we ask for special protection for our diplomats overseas, which is generally accorded, they always point out that we are not in a position to reciprocate. For the two years I have been in this job we have been trying to get mainly Treasury to take on the function, and we asked the Inman panel specifically to look into it. The Inman panel said that in the last analysis the State Department is going to have to do it.

Mr. ROGERS. This is Admiral Inman?

Mr. SPIERS. Yes, sir.

U.S. CONTRIBUTION TO THE UNITED NATIONS

Mr. **Rogers**. You are requesting a rather large increase for our U.N. contribution from $180.9 million to $193.5 million, a $12.6 million increase. Is there a particular reason why that is so?

Secretary **Shultz**. Most of this is accounted for, it is in the U.N. budget which in real terms remained about the same. But as they count their budget there is an inflation component in other countries that accounts for, I think, most of that increase.

Mr. **Spiers**. Yes.

KASSEBAUM AMENDMENT

Mr. **Feldman**. The U.N. overall biennial budget for 1986 and 1987 has an increase of approximately 10.6 percent, of which 10½ percent is due to inflation and one-tenth of a percent is due to growth.

I might add, Congressman, that the number you are referring to for the U.N. has to be adjusted to reflect the Kassebaum amendment, which would reduce the contributions to the U.N. and certain related agencies by $79,134,000. That amendment provides that if the U.N. does not alter the procedures by which it allows for voting in budgetary matters, that is, to provide proportional weighted voting dependent upon the contribution, then the United States contribution will be reduced from 25 percent to 20 percent. The President's budget accordingly reflects that reduction. However, the document you are looking at has not spread the cut. It is in the bottom line there and it has not been determined exactly which agencies of the U.N. and affiliated agencies will get what portion of cut. But I think you can recognize that that number should be reduced considerably relative to the Kassebaum amendment.

Secretary **Shultz**. I might say with regard to that, however, that it is not a reasonable expectation that the U.N. will change its voting procedures. It is a reasonable expectation that they will change their budget practices and have much greater degree of control. We believe we have made headway in that regard. It might also be possible to have some kind of special budget-oriented committee oversight effort to perform some of the functions that I think Senator Kassebaum and others have been worried about. If there are satisfactory measures taken, then of course we would want to live up to the obligations that we have undertaken with respect to the U.N. and pay the normal percentage we would have paid. So we may—I hope we will come back on this and be able to talk about the budget procedures and some sort of oversight process.

U.N. INDUSTRIAL DEVELOPMENT ORGANIZATION

Mr. **Rogers**. There is apparently a new item in the request called the U.N. Industrial Development Organization, which I gather is new, requesting $12¾ million for 1987. I certainly hope we are not trying to promote more textile factories in Sri Lanka. Is that what that is for?

Secretary **Shultz**. I am not sure.

Mr. Feldman. Mr. Rogers, UNIDO has been established as a separate, independent agency within the U.N. family. Before it was contained within the U.N. budget. So what you are seeing reflected there is not a new organization but a new budget contribution that the U.N. established.

Mr. Rogers. What does it do?

Secretary Shultz. If you don't know offhand, we will get you a response for the record.

[The following information was submitted:]

U.N. Industrial Development Organization

UNIDO promotes and assists the industrialization of the developing countries through a number of headquarters activities and field projects. UNIDO is the third-largest implementing agency for UNDP projects. Secretariat staff offer assistance in the areas of feasibility studies, planning, research and development, etc. UNIDO-sponsored consultations attempt to promote industrialization in particular sectors, including petrochemicals, iron and steel, and agricultural machinery, among others. UNIDO's Investment Cooperative Program seeks to match investment capital from the developed countries with industrialization projects in the developing countries which need funding and/or partners.

OVERSEAS TRADE

Mr. Rogers. That brings me to near the close here on my part. I have been on several trade missions overseas, particularly to the Far East, and by and large I think we have fairly good commerce attaches in those embassies. But I think some of them feel a good deal of constraint from State on what they can or can't do, setting up appointments, private business concerns for American counterparts, or American interests that want to establish trade or further trade. I think they feel constrained to a great extent by the State Department.

I wonder if you have any thoughts or ideas about that?

Secretary Shultz. Well, I am surprised to hear that. Certainly the point has been made very strongly by myself and others that one of the primary objectives of our missions overseas is to help American business, and in fact the first all-posts message that I sent out after I was Secretary of State was one to embassies on that point. It has been gratifying to me that I have gotten a lot of unsolicited comments from my friends in the business community—and I have lots of them having been a businessman—saying that they notice our ambassadors and people on the embassy staffs are increasingly helpful. So I think we have had a pretty good experience there. But if you have a chapter and verse about something, I would be glad to know it and do something about it.

Mr. Rogers. Well, I am glad to know that that is the emphasis, because I think it is exactly accurate in many of these that we should be doing more to promote trade and Japan pops right up on the top of my head. And incidentally, I am very pleased——

Secretary Shultz. There is nothing bashful about Mike Mansfield in this regard, I might say.

Mr. Rogers. That whole operation there in the last five years, frankly, has—I have seen a change. I was there three years ago for example and then a few weeks ago. I noticed a complete turnaround in the attitude of the ambassador and the entire staff on trade. So I hope that your philosophy is getting down all the way.

Secretary **Shultz**. I think it is.

Mr. **Rogers**. Finally.

Secretary **Shultz**. I don't know, it's always helpful to get chapter and verse. I think particularly a general statement you can't do much with. If you have some particular instance or operational thing that I can get my hands on, then I can go to somebody and say how come.

Mr. **Rogers**. I will be happy to.

Secretary **Shultz**. Or get the story on something.

TREND TOWARD DEMOCRATIC RULE

Mr. **Rogers**. Finally, we look at a map of South America. It looks as if a strong trend toward democratic rule has been coming about there in recent months—Brazil, Guatemala, Argentina, and only three major dictatorships remain, I think, in South America—Chile, Paraguay and Guyana. And we have been able to see growing support for the president in El Salvador. I wonder if you have any comments you would care to make about the significance, if any, of American security assistance in supporting Duarte, and the success story that is coming from El Salvador?

Secretary **Shultz**. I think it is essential and I welcome the question. It is necessary that particularly a fledgling democracy, but any democracy, be able to maintain law and order. And unfortunately the Nicaragua-Cuba-Soviet inspired guerrilla warfare in El Salvador necessitates a major effort on the part of the Salvadoran armed forces. So our security assistance to them is an essential ingredient for the progress of democracy in El Salvador.

I think particularly since the time when we have been able to put that on a basis of adequate amounts and sense of continuity it has been increasingly successful.

SUPPORT OF FREEDOM

Mr. **Rogers**. Maybe I am not seeing something I should. I don't bring this issue up necessarily there. Is there a difference between supporting Afghanistan freedom fighters and Cambodian freedom fighters halfway around the world, and supporting freedom fighters a short drive from Texas? Is there a difference?

Secretary **Shultz**. No. I think, conceptually, from the standpoint of the United States, what we support is freedom, and I think we should be on the side of people who will work for freedom everywhere. What we can do about it varies. I think that our actions in the Philippines that you spoke of were actions in support of freedom. Without in any way minimizing the importance of what we are doing in Afghanistan or Cambodia or elsewhere, it seems to me that when it comes to conditions in our own neighborhood, it is particularly important that we encourage just the trend that you speak of. Of course, the real source, the most threatening nondemocratic regimes in our hemisphere are Nicaragua and Cuba, and they both are being very strongly supported by the Soviet Union. That constitutes a major problem for us.

Mr. **Rogers**. I am not saying you are—if you were supportive of freedom fighters in Afghanistan.

Secretary **Shultz**. I am.

Mr. **Rogers**. If America is supportive of those freedom fighters in Afghanistan, why shouldn't we also do the same thing in Nicaragua?

Secretary **Shultz**. I am on your side. So is the President.

Mr. **Rogers**. Good.

Secretary **Shultz**. As a matter of fact, you know, as you were talking about Central and South America, I was looking at the map and let's say all of the color blue is what we are talking about. If you wanted to put colors on of countries that represent something other than a democracy, you would have Chile and Paraguay down there, and they are not Soviet satellites at all, thank goodness. Then you have Surinam and Guyana, and I think you would color them not the same as Paraguay and Chile, certainly not the same as Nicaragua and Cuba. Then you have Nicaragua and Cuba, and the rest is all colored blue. So it is a very striking looking map as it is now constructed, and only 10 years ago most of it would not have been colored blue.

I might say that on the subject of transitions, we of course worry about the transition that brought us Iran, Nicaragua, and Cuba, and many have scratched their heads about what has happened in the Philippines. We have to be careful there. We have to be careful anywhere, but the fact is that through the post-World War history, there has to be a massive movement toward democracy and it has tended to stay, I think, mainly because people like freedom, it is better; and particularly if they can construct it in a way that has some cohesion and accountability and order to it.

Mr. **Rogers**. Thank you. Godspeed to you.

Mr. **Smith**. I can't help mention I was in the Attorney General's office in Mexico a few years ago. He had a map of Mexico on his wall. If you can visualize where New Orleans is there, draw a line from about New Orleans up to Seattle, everything south and west of that was in Mexico.

OPENING AND CLOSING OF POSTS

Mr. **Smith**. One more question. It may have been before you were Secretary, I am not sure. There was pressure, especially from the authorizing committee, to establish seven consulates that had been operated in some instances on a contract basis, one of them for $15,000. We had to establish consulates, I knew the price was going to go way up. I insisted that it be a separate line item. I think it is up to $1.7 million. If we have to do a little paring on this budget, do you have any ideas as to whether that separate line item should remain in or not? If you don't have at this point——

Secretary **Shultz**. We have made seven proposals for post closings that we think can be accommodated all right, but the ones that you are referring to——

Mr. **Spiers**. Some of them are the same.

Mr. **Smith**. Okay, thank you very much, Mr. Secretary for your testimony.

Secretary **Shultz**. Thank you, Mr. Chairman.

Mr. **Smith**. We have some additional questions which we shall submit to you and you can answer for the record.

[The questions and answers submitted hereto follow:]

QUESTIONS SUBMITTED FOR THE RECORD BY MR. SMITH

New Diplomatic Security Initiative

Question:

1. The Department of State has proposed a new Diplomatic Security Initiative totaling $4.4 billion over five years, most of which is within the jurisdiction of this Subcommittee. To begin this program, the Department is proposing an FY 1986 supplemental of $702 million. Approximately $1.4 billion of the Department's FY 1987 budget request is related to this initiative. Mr. Secretary, this is an awful lot of money at a time when we have a huge budget deficit. What are the principal objectives of this program?

Answer:

The principal objective of the Diplomatic Security Initiative is to enable the Department of State to respond effectively to the mounting level of security and security-related conditions -- including but not limited to terrorism, technical security threats and mob violence -- that confront our overseas diplomatic operations. These threats were the subject of several recent reports by the Advisory Panel on Overseas Security, and the budget proposal has incorporated a number of recommendations made by the Panel to improve security for our diplomatic activities. In particular, major program initiatives include the following:

-- a large-scale Capital Program to replace or significantly renovate facilities at over 275 overseas posts;

-- a comprehensive residential security program to cover the more than 9,600 foreign affairs agency employees stationed overseas;

-- a technical countermeasures and counterintelligence program to reduce our vulnerability to technical penetration;

-- an expanded capability to protect visiting foreign dignitaries and resident foreign diplomats in the U.S.; and

-- related increases in training, administrative support, communications and information systems security programs.

New Diplomatic Security Initiative

Question:

2. Is there any reasonable prospect that terrorism against Americans and American facilities abroad will decline in the foreseeable future.

Answer:

As the Advisory Panel on Overseas Security concluded in their recent reports, there is no reason to believe that terrorist or other security-related threats against our overseas diplomatic activities would diminish in the near future. On the contrary, there is every indication that these threats will increase in scope and extent. In fact, since the issuance of the Panel reports last summer there have been several damaging and bloody terrorist attacks against U.S. and other Western interests throughout the world, culminating in the attacks on the Rome and Vienna airports, shooting incidents in Central America and kidnappings in the Middle East. In addition, an area of the world that now has a relatively stable security environment could rapidly degenerate into a dangerous situation due to domestic unrest, civil strife, or terrorist activities.

New Diplomatic Security Initiative

Question:

3. What were the principal recommendations of the Advisory Panel on Overseas Security, and does your diplomatic security proposal deviate from those recommendations in any significant way?

Answer:

The programs included in the FY 1986 security supplemental are fully consistent with the recommendations of the Advisory Panel. In fact, the initiative for formulating the supplemental request came directly from an analysis of the Advisory Panel reports and the specific recommendations included in them. The reports dealt in considerable detail with a range of security areas, such as physical and technical security, training, intelligence and threat-alert procedures, organization and administration of the security function, residential security and the status of our inventory of overseas facilities, and the protection of foreign dignitaries and officials in the U.S. In each area, the Panel made specific recommendations that have been incorporated into the supplemental request. These include such items as: the creation of a new Bureau of Diplomatic Security to consolidate a number of security functions and programs currently scattered among a variety of offices within the Department; a multi-year Capital Program to replace or renovate physical facilities at over 275 overseas locations; comprehensive residential security and technical security programs; and expansions in a number of areas such as training, communications, protection of officials and administrative support.

New Diplomatic Security Initiative

Question:

4. What innovative actions, if any, are reflected in the FY 1986 Supplemental and FY 1987 Budget requests to reduce costs -- e.g., is the Department going to employ modular design and construction techniques for the construction projects in this proposal or is each building going to have a unique design and be constructed without modular techniques?

Answer:

The Office of Foreign Buildings (A/FBO) is actively exploring the feasibility of using modular design and construction techniques. As requested and funded by A/FBO, the National Academy of Sciences (NAS) recently initiated a feasibility study on modular techniques. The Chief of A/FBO's Construction Management Division is monitoring this program and represents A/FBO at NAS meetings where these techniques are discussed.

Before the results of that study are known, however, A/FBO cannot design buildings to be constructed with modular techniques.

New Diplomatic Security Initiative

Question:

5. Have you considered closing any of these posts rather than building new facilities? Did the Advisory Panel on overseas security recommend closing any of these posts?

Answer:

The possibility of post closings was not considered as part of the development of the supplemental budget request, nor did the Advisory Panel on Overseas Security consider this option to be an acceptable means of reducing vulnerability to terrorism or other security threats. The decision on where to locate our overseas facilities should be related to our operational and policy requirements, and not to the threat level or security situation. It should be understood, however, that when a serious security situation develops at any Foreign Service post, the decision may be made to reduce the size of our presence or to evacuate personnel from that location until the situation stabilizes.

New Diplomatic Security Initiative

Question:

6. Several of these projects provide for new chanceries in communist countries or involve the retrofitting of embassies because of technical security problems. Are these projects of the same priority as the projects involving the physical security of our personnel and facilities, and if not, couldn't they be deferred in light of our budgetary problems?

Answer:

It is our position that immediate improvements and priorities must focus on the health and safety of our people overseas. Protecting lives as a foremost consideration does not diminish our concern and urgency for countering sophisticated technical threats that confront us in the USSR, bloc countries and the third world.

Our experience in constructing NOB (New Office Building) Moscow has demonstrated that building projects in high technical threat areas are far more complex and require greater preparation, planning and monitoring. As an example, we have confirmed a state of Soviet technological sophistication that will probably be used in attacking construction projects planned for Eastern Europe. For this reason, we would prefer to delay slightly those projects scheduled for eastern Europe with the intent of deriving additional experience and systems support from Moscow. Additionally, several prototype countermeasure systems devised specifically for Moscow require further refinement before full accreditation for wider operational use.

Our immediate response to the threat in the bloc has been to assign experienced security engineers against the Eastern European aggressions. This has meant an increase in Security Engineering Officers from 38 worldwide in 1984 to 139 in 1986. These officers require more than just conventional equipment.

New Diplomatic Security Initiative

Question:

7. One of the recommendations of the Advisory Panel on Overseas Facilities was the establishment of a Diplomatic Security Service. The budget requests for fiscal year 1986 and 1987 assume that the Service will be established by authorizing legislation. What are your plans for the new Service, and how are you going to insure that it has the same professional capabilities and promotion opportunities as the Foreign Service?

Answer:

The backbone of the Diplomatic Security Service will be the Security Officers, Security Engineers, and Couriers. These officers normally will spend their entire careers in the DSS. Simultaneously, they will be members of the larger foreign service. They will enter as foreign service specialist career candidates, and follow the currently established tenuring and promotion procedures. Professional capabilities will be shaped by the training and experience required for duties in the DSS. As with other foreign service specialists, DSS officers will compete among their own skill code for promotion, and the numbers of promotions will depend on number of vacancies within the individual skill codes.

QUESTIONS SUBMITTED FOR THE RECORD BY MR. SMITH

Effect of Kassebaum Amendment

Question:

The FY 1987 budget request for Contributions to International Organizations reflects a reduction of $79.1 million in the request for the UN and affiliated agencies. This reduction is requested in order to comply with Section 143 of Public Law 99-93 which requires that U.S. assessed contributions for the UN group not to exceed 20 percent of the assessed budget for any organization within the group except for the International Atomic Energy Agency. Does the Department plan to seek an amendment of this provision, and if not, how are we going to carry out our treaty obligations concerning payment of our assessments?

Answer:

Our initial efforts for implementing the Kassebaum Amendment were focused on the United Nations in the General Assembly. We had hoped that actions taken at the last session of the General Assembly would have provided sufficient grounds on which the Administration could justify seeking from the Congress a delay in implementation of the Kassebaum Amendment. This was not the case. The General Assembly did call for the establishment of a Group of High Level Intergovernmental Experts to identify measures for improving the administrative and financial functioning of the United Nations. Their work is scheduled to be completed this summer. We are awaiting the results of the Group's work to see if there is sufficient progress toward meaningful reform that would provide convincing justification for the Administration to seek from the Congress amendment of the law.

With regard to the question of treaty obligations, our response has been to focus on reform rather than reductions and to stress that this is a political issue more than a legal one. Only in the context of credible reforms and a restored sense of confidence in the UN system, particularly in the U.S. Congress, could the Administration eventually seek legislation to relieve some of the budgetary pressures.

Limiting the Number of Soviets at the UN

Question:

The United States Government recently informed the Soviet Union that it had two years in which to reduce the size of its delegation to the United Nations in New York City. What was the reason for this action, under what authority was it taken, and is there any indication that the Soviets will retaliate against us in Moscow?

Answer:

On March 7, the United States Government officially informed the Soviet Mission to the United Nations and the United Nations Secretary General that the Soviet UN Missions [Soviet, Ukrainian, and Byelorussian] must be reduced in four stages from the current level of 275 to a staffing level of 170 permanently assigned personnel by April 1, 1988. Under this overall ceiling, there is a subceiling of ten each for the Byelorussian and Ukrainian UN Missions.

We have long been concerned about the unreasonably large size of the Soviet UN Missions. The Soviet Missions are larger than the next two largest missions combined. The staffing requirements of the Soviet UN Missions do not justify 275 permanently assigned mission members to conduct official UN business. Moreover, it had come to pose a threat to U.S. security. We believe that 170 permanently assigned personnel is ample for the needs of the Soviet UN Missions, given all relevant considerations.

Our action is a reasonable, prudent step. We have structured the reductions in a way intended to to minimize dislocations for the Soviet UN Missions. We do not believe this move need have a negative impact on our bilateral relations. We look forward to continuing the efforts begun by President Reagan and General Secretary Gorbachev in their Geneva meeting to build a more constructive foundation for U.S.-Soviet relations.

We do not expect this will become an issue in our bilateral relations. The present size of the Soviet Embassy and Consulate General is limited to an overall ceiling of 320 (279 and 41 permanently assigned personnel, respectively). For now this is greater than the size of our Embassy in Moscow and Consulate General in Leningrad (200 and 28 respectively). There is no ceiling on the number of U.S. diplomatic and consular personnel in the USSR.

As we enhance the security of our posts in the USSR, we will also be replacing a substantial number of Soviet national employees with Americans. As a result, our official presence in the USSR will increase, making the respective diplomatic and consular presence of the Soviet Union and the United States substantially equivalent.

The Soviets have made clear their strong opposition to these reductions, but have focused their efforts largely within the framework of the UN. So far there has been no retaliation against our missions in the Soviet Union. We have told the Soviets that if they retaliate for these reductions in New York, we are prepared to reciprocate.

In terms of the legality of our measure, Article 14 of the 1975 Vienna Convention on the Representation of States in Their Relations with International Organizations (to which the Soviet Union is a signatory but the U.S. is not) states that the size of a state's mission to an international organization "shall not exceed what is reasonable and normal, having regard to the functions of the organization, the needs of the particular missions and the circumstances and conditions in the host state." The 1975 Vienna Convention codified this general principle of international law. Limiting the size of the Soviet UN Missions to a reasonable size is also consistent with USG obligations under the Headquarters Agreement, the UN Charter, the 1970 Convention on Privileges and Immunities of the United Nations, and International Law. None of these allows a member state of the UN to unilaterally abuse its right to representation with a multiple of the number or range of personnel that its representation requirement objectively warrant.

Question:

Under the recent summit agreement, the Soviet Union may open a new consulate in New York and the U.S. may open one in Kiev. Will the Soviets merely transfer their employees in their UN delegation to the new consulate?

Answer:

The exact number of Soviets that will staff the new Consulate in New York, and the date of its opening is still to be determined. The size and opening dates, however, will be strictly reciprocal for the Soviet Consulate General in New York and the U.S. Consulate General in Kiev. Given the needs of all USG agencies, the U.S. Consulate General in Kiev will be staffed by 30 personnel. The Soviet Consulate General in New York will be no more than this. Even with the opening of the Soviet Consulate General, there will be a major net reduction of 75 in the Soviet presence in New York as the cuts in the Soviet UN Missions are effected.

Replacing Foreign Nationals at U.S. Facilities Abroad

Question:

I understand that the Department plans to replace foreign nationals with U.S. citizens at certain of its posts abroad. What are the reasons for this change?

Answer:

The State Department has initiated a security enhancement program in the Soviet Union which includes the replacement of select national employees with U.S. citizens. The State Department is requesting funds for the replacement program in the U.S.S.R. as well as for a program to hire additional American citizens to staff our Missions in Eastern Europe. These and other actions are being taken in accordance with the FY 1986-7 State Department Authorization Act (Section 136) and the Advisory Commission Report on Overseas Security.

Question:

What posts are involved, what are the additional costs, and what are the risks?

Answer:

The posts involved are Moscow, Leningrad, Budapest, Bucharest, Berlin, Warsaw, Sofia, and Prague. To comply with the security guidelines and recommendations of the Congress, the Bureau of European and Canadian Affairs is requesting $24,990,000 for FY-87 to phase in the program. The annualized cost of replacing select local employees in the U.S.S.R. and of hiring additional American citizens in Eastern Europe is estimated at $33,320,000. There are risks involved in replacing foreign nationals with U.S. citizens, but it is difficult to predict how serious these risks are as there is no precedent for this program.

Assessed Contribution for Support of UNIFIL

Question:

Last year Congress cut your budget request for the assessed cost of supporting the United Nations Interim Force in Lebanon (UNIFIL). Your current appropriation provides enough funds through the end of April 1986 for this purpose. What are the prospects for extension of the UNIFIL mandate?

Answer:

Troop contributors have indicated to us support for extension of the UNIFIL mandate, but in the absence of further FY 86 funding this support has generally been tied to some assurance of the availability of full U.S. funding for FY 87. Secretary Shultz raised this question before the Senate Subcommittee on Appropriations March 19, 1986 and Senator Rudman promised to try to provide us with views on what we can tell the troop contributors before the April 18, 1986 expiration of the current mandate.

Question:

If the mandate is extended does the Administration plan to request a supplemental for payment of our assessment for support of UNIFIL?

Answer:

The question of funding the FY 1986 U.S. assessment for UNIFIL, should the mandate be renewed, is currently under consideration. We have requested full funding for FY 1987.

Question

Is the UNIFIL force an effective peacekeeping presence in Lebanon, or is the Administration supporting UNIFIL principally for political purposes?

Answer:

Our support for UNIFIL, and our request for continued funding, is based on our belief that UNIFIL makes a contribution to the stability of southern Lebanon. Its withdrawal at this time would be imprudent.

QUESTIONS SUBMITTED FOR THE RECORD BY MR. O'BRIEN

Trade

Question 1:

The President's Steel program had as its chief goal the restriction of steel imports into the United States. At the direction of the President, the United States Trade Representative entered into bilateral trade negotiations with foreign suppliers of steel to the United States to conclude voluntary export restraint agreements (VERs) for five years through 1989. The President's program established a target of an 18.5 percent market share for imports of finished steel. Trade statistics for 1985 just released by the Commerce Department indicate that steel imports are declining, though not as dramatically as expected. I recognize the need for open markets and the benefits that can be derived from fair and free trade. However, despite the implementation of the President's program, steel imports still exceed the agreed-upon levels. I would be interested in your thoughts and suggestions as to what might be done to compel countries to comply with these agreements.

Answer:

The Administration has not experienced any appreciable difficulty in gaining the cooperation of steel suppliers to comply with export restraint agreements negotiated under the President's steel program. Any problems that have arisen have been worked out through bilateral consultations in conformity with the respective agreements and with the benefit of advice from the steel industry. If it should be needed, the President has authority under the Steel Import Stabilization Act of 1984 to deny entry to steel products in excess of the restraint levels stipulated in any of the agreements. No further authority is required.

During the remaining years of the steel program, through September 1989, import penetration from countries under steel agreements will be considerably lower than in 1985. The main reasons for this are 1) that several of the agreements were completed well into 1985 and began to restrict imports only after substantial trade had already occurred; 2) a number of steel products from the EC were not restricted during much of 1985 but will be under restraint beginning this year; and 3) some suppliers made use of provisions in their agreements that allow very limited advance use of the following year's quota. We expect imports in 1986 to conform closely to negotiated limits contained in the export restraint agreements.

Question 2:

The goals of the Caribbean Basin Initiative were to strengthen democratic governments and promote regional stability through increased economic growth. The centerpiece of the CBI was a one-way, duty-free provision allowing preferential access to the United States market for most Caribbean Basin products. Some countries, such as Korea, are diverting steel products, covered under the President's program, through Caribbean countries to the United States. These countries are attempting to gain favorable, duty-free entry of their imports as products of Caribbean basin countries. This practice is not only circumventing the President's steel program but also undermining the CBI. I would appreciate your staff looking into this matter and letting me know the extent of this practice.

Answer:

To the best of our knowledge, there has been no instance of a steel-producing country successfully diverting steel products through a Caribbean Basin country to circumvent restrictions imposed by a steel export restraint agreement. The U.S. Customs Service has received a number of requests for opinions on country-of-origin in connection with possible projects to process steel in countries not covered by steel agreements. There has been only one Customs ruling so far which determines that a proposed processing operation (in Panama) is of sufficient scope that the resulting products would be considered products of the processing country. Neither this nor any other such project has actually begun operations.

There are two criteria that discourage the diversion of third-country products through CBI countries into the U.S. market: 1) U.S. Customs requires that a product must be substantially transformed into a new and different article of commerce before it can be considered a product of the processing country, and 2) the Caribbean Basin Economic Recovery Act requires that, in order to get duty-free benefits, at least 35% of the value of the article be materials or processing in Caribbean Basin countries. We believe that these two criteria are in the interest of the Caribbean Basin countries themselves because they serve to screen out insubstantial projects and thereby ensure that new investment actually confers tangible benefit on the recipient country.

The Department attaches great importance to maintenance of a favorable climate for private investment in the Caribbean Basin as an essential ingredient in the attainment of economic objectives and, over a longer run, peace and stability in the region. On the basis of the above considerations, we see no reason why steel trade issues should detract from U.S. support for the objectives of the CBI.

Question 3:

Many have called for a new round of GATT talks aimed at reducing tariff and non-tariff barriers to international trade. What are the prospects for such talks and do you sense any interest in them on the part of our major trading partners?

Answer:

The ninety member countries of the General Agreement on Tariffs and Trade (GATT) have begun a formal preparatory process leading to a new round of multilateral trade negotiations that a Ministerial meeting will launch in September, 1986. At their annual meeting in November 1985 the GATT members established a Preparatory Committee to determine the objectives, subject matter and organizational details for the new trade talks. The Preparatory Committee is working intensively and constructively. Both major developed and developing countries have lent their support to a new round.

In the U.S. view, the initiation of a new round of multilateral negotiations is the bes way the GATT countries can achieve fairer trade, increase access for exports, provided more effective dispute resolution, and strengthen the fabric of the international trading system.

Question 4:

The Pacific Rim has been hailed by some trade experts as the "new Europe" where more of our trade will become increasingly concentrated. In your view, what policies might the United States adopt to facilitate increased bilateral trade with those nations and ensure greater access to their markets for U.S. products?

Answer:

The period since the end of World War II, and especially the last 15 years, has seen a growing economic interdependence, based on trade and investment among the countries of the Pacific Rim. In the last few years the free enterprise countries on the western rim of the Pacific have enjoyed the highest rates of economic growth of any free world countries; their trade (both exports and imports) has grown faster than that of countries in other regions of the world. U.S. trade with the Pacific countries is growing faster than with any other region and the area is second in importance only to Europe in terms of U.S. private foreign investment.

The trade policy of this administration is designed to increase trade and obtain greater access for U.S. exports for the Pacific Rim, as well as our other trading partners. The President has made it clear that free and fair trade are in the best interest of all, and now, more than ever, our trading partners must shoulder their portion of the burden by lowering trade barriers, eliminating subsidies and other unfair trading practices, and joining the United States in support for a new round of trade negotiations in the GATT. We have moved ahead in the GATT to prepare for a new round, and are actively engaged in dialogue and negotiation with countries of the Pacific rim to lower barriers to trade in goods, services, and investment.

Question 5:

There has been increased discussion of late concerning the establishment of a free trade zone between the United States and Canada. What are your views of this proposed trade arrangement?

Answer:

On September 26, 1985, Prime Minister Mulroney proposed that the United States and Canada enter into negotiations on a broad-based bilateral trade agreement. President Reagan warmly welcomed this proposal and notified the Senate Finance and House Ways and Means Committees on December 10 of the desire of the Administration to enter into negotiations leading to a free trade arrangment with Canada. If Congress does not disapprove, the Administration would begin negotiations shortly after the end of the formal notification period.

We fully support negotiations for a comprehensive trade agreement with Canada, our largest trading partner. In 1985 two-way trade in goods and services was approximately $120 billion. Nevertheless, obstacles to increased trade exist on both sides of the border. Our goal is to obtain the most comprehensive trade agreement possible, one that addresses the full range of barriers to the flow of goods, services and direct investment between our two countries.

We believe that long term benefits will flow to both countries. We will work closely with elected public representatives and with our respective private sectors to ensure broad public support for an agreement. We will seek an agreement that is fully consistent with the General Agreement on Tariffs and Trade (GATT). These negotiations will compelement our mutual commitment to multilateral trade liberalization.

Question 6:

Various finance ministers of major industrialized nations, along with Treasury Secretary Baker, III, known as the G-5, recently intervened to bring down the high price of the dollar. This represents a significant step toward reducing our trade imbalances caused by an overvalued dollar. In your view, are interventions of this kind the answer?

Answer:

On September 22 the finance Ministers and Central Bank governors of the United States, Germany, Japan, France and the United Kingdom (The Group of 5) met as part of a continuing effort to assess the international economic situation. While the ministers agreed that important gains had been realized and that economies were experiencing a more balanced expansion, they noted that there were large imbalances in external positions reflecting a wide range of factors. They undertook country-specific commitments regarding future policies designed to further strong, non-inflationary growth.

On exchange rates, the G-5 announcement highlighted that exchange rates should play a role in adjusting external balances and that they should better reflect fundamental economic conditions than had been the case. The ministers agreed that policy actions needed to be implemented and reinforced to improve the fundamentals further, and that in view of the present and prospective changes in fundamentals, some further orderly appreciation of the main non-dollar currencies agasint the dollar was desirable. The ministers agreed that "They stand ready to cooperate more closely to encourage this when to do so would be helpful".

Question 7:

Some of my constituents working in the auto indsutry have expressed concern about the 100,000 cars entering the U.S. market this year from South Korea. As Iunderstand it, these Korean cars come into the United States outside the self-imposed quotas the Japanese car exporters are observing this year. It has occurred to me that 100,00 Korean cars coming into the United States may suddenly spark a protectionist reaction here in Congress. Does the State Department expect any political fallout from the large influx of cars from Korea?

Answer:

There are no voluntary auto restraints mechanisms in effect with regard to the imports of Korean automobiles into the United States. Hyundai, the Korean automobile manufacturer, reportedly plans to import 100,000 cars into the U.S. in 1986. We are not sure whether this goal will be achieved. It is difficult to evaluate the political ramifications caused by the import of these vehicles. American consumer response to these cars has been good so far, and the results of consumer testing have also been good. It is important to note, however, that the Korean cars will compete in a segment of the auto market that has been previously dominated by low-price Japanese imports, i.e. the lower end of the sub-compact market.

Question 8:

American companies have recently been taking some very aggressive measures against Japanese import practices; everything from patent and copyright suits, to antitrust and the customary anti-dumping measures. I understand some firms are even asking for regulations to compel Japanese firms to buy U.S. products. Does this more aggressive stance by U.S. companies create any significant diplomatic or national security problems?

Answer:

An aggressive stance by U.S. companies to use existing trade legislation to protect their trading rights does not create significant diplomatic or national security problems. The President has made quite clear that he strongly favors a free and open and fair international trading system.

Our trade policy with Japan is, of course, consistent with this and our primary goal is to increase market access in Japan for U.S. exports. The Administration has been aggressive in pursuing this goal through such initiatives as the on-going Market-Oriented Sector-Selective (MOSS) talks; the initiation of Section 301 cases on tobacco and on leather and leather footwear (concluded last December); bilateral discussions on other issues such as the status of foreign lawyers, civil aviation rights, and trade in aluminum; and continuing discussions in bilateral fora such as the U.S.-Japan Trade Committee. We are also pursuing a Section 301 case on trade in semiconductors initiated by the Semiconductor Industry of America (SIA). In all these cases, we worked closely with the appropriate U.S. industry.

The Japanese have responded to our initiatives. Examples include the issuance by Japan last July of the latest in a series of Trade Action Programs, the resolution of the transfer of Pam Am's rights to United Air Lines, progress in the first four MOSS sectors, Japan's opening of its market to refined petroleum products, further tariff reductions on a number of products, and the continued liberalization of its capital markets.

The Administration will continue to work with Japan on market access issues. We also will continue to work closely with U.S. industry on trade issues which affect their export sales.

Question 9:

It has occurred to some obeservers in the U.S. auto industry that the Japanese car builders might be gearing up for a major invasion of the U.S. market if the Japanese should lift the voluntary quota agreement early next year, 1987. Auto imports jumped to over 40 percent last November. So it would appear the threat is realistic. I wonder what the reaction of Congress and the Administration would be next January if the Japanese quotas are lifted and Japan ships every car it can. I've seen estimates that such an invasion could cost as many as 750,000 jobs. Is the United States equipped to deal with such an event?

Answer:

On March 1, 1985, the Presdient announced that he had decided not to urge the Japanese to extend their voluntary export restraints on automobiles. This remains Administation policy. We did not seek the most recent extension of the VRA. This decision was solely Japan's decision to make in the context of its overall trade relations with the United States.

The VRA has been in place since April 1981. If the Japanese were to lift the VRA in 1987, six years of protection should have been enough time for American auto makers to prepare themselves to compete with the Japanese competition in terms of quality and value. U.S. companies have largely retooled their plants and made other improvements so that Ameican cars are better made and more fficient.

Japan's VRA has cost the U.S. consumer. THe U.S. international Trade COmmission reported last that consumers spent a combined total of $15.7 billion in additional costs in the three years ending in 1984 because of the restraints. US auto makers enjoyed record profits in 1983 and 1984, largely because of the higher prices they could charge as a result of Japan's VRA. With the VRA in effect, it has been estimated that American-made cars averaged about $1000 more than they would otherwise have cost.

One great advantage the Japanese have had in recent years has greatly diminished: the undervalued yen. The yen today is at a record high level relative to the dollar. Since last September, the yen's value has increased by over 30 percent and this is being reflected in higher prices for Japanese-made cars.

Moreover, the currency shift is compelling Japanese auto manufacturers to speed up their investment plans in the U.S. Honda and Nissan are already producing several hundred thousand cars in Ohio and Tennessee, using U.S. workers and an increasing percentage of local contecnt. These plants are expected to increase their capacity substantially over the next two years. Toyota will start construction of an auto manfuacturing plant in Kentucky in May and Mitsubishi, a plant in Illinois soon. Production at Mazda's new Michigan plant is expected to begin in fall 1987. All these plants will give jobs to American workers and business to suppliers of materials and equipment.

QUESTIONS SUBMITTED FOR THE RECORD BY MR. O'BRIEN

Foreign Affairs

Question:

Some foreign affairs observers have likened the events now taking place in South Korea to those present in the Philippines before the overthrow of the Marcos government. In your view, is it fair to compare the situation now unfolding in South Korea to the events that led to the fall of the government in the Philippines?

Answer:

The Philippines and Korea are two very different countries. In Korea President Chun has promised to step down at the end of the term less than two years from now, the economy is booming, and the military is doing a very professional job of countering a serious external threat. This sort of environment makes incremental progress possible. We have encouraged further democratization in Korea and will continue to do so.

Question:

In the aftermath of the Philippine crisis, what U.S. assistance (military and economic) will be necessary to help that country rebuild and recover from the trauma of events and crises that have plagued it? Does the Administration intend to submit a request for a major aid package to help that country?

Answer:

We have been discussing Philippine assistance needs and priorities with President Aquino's Government and with other major bilateral and multilateral donors. We are now assessing the outcome of these discussions to develop a proper U.S. response. We expect to consult with the Congress soon on U.S. assistance policy for the Philippines.

Foreign Affairs

Question:

Great emphasis is now being placed on the development of our relations with the People's Republic of China and the expansion of our bilateral trade with that country. In your view, could this be harmful to our historic relation with the people of Taiwan?

Answer:

The strengthening of our bilateral relationship with the People's Republic of China has resulted in many benefits to the United States, including increased trade, extensive contact between the peoples of our nations, cooperation in educational and cultural spheres and a wide ranging exchange of views on regional and global issues. These developments have not been harmful to relations between the United States and the people on Taiwan. In 1985 two-way trade between Taiwan and the United States increased to $22.4 billion compared to $8 billion in U.S.-PRC trade. Travel between the United States and Taiwan for business, tourism, study, scientific exchange and other purposes remains at traditional high levels. The United States continues to make available to Taiwan defensive arms and services necessary to maintain a sufficient self-defense capability as required by the Taiwan Relations Act. Moreover, the development in our relations with the PRC has contributed to a reduction in tensions in the Taiwan Strait and the entire Asia/Pacific regions and thus has enhanced the security of the people on Taiwan.

QUESTIONS SUBMITTED FOR THE RECORD BY MR. O'BRIEN

Latin American Debt Crisis

Question:

As you are well aware, many Latin American countries have accumulated large debts. Yet because of their depressed domestic economies and trade deficits, they have been unable to pay back this debt. What, in your opinion, might be done to help these countries solve this problem?

Answer:

At the IMF/World Bank annual meetings at Seoul in September 1985, Treasury Secretary Baker outlined several proposals to reinvigorate economic growth. These proposals include:

-- the adoption of principal debtors or comprehensive macro-economic and structural adjustment policies;

-- a continued central role for th IMF, in conjunction with increased and more effective multilateral development bank (MDB) structural adjustment and other policy based lending; and

-- increased lending by commercial banks in support of adjustment programs.

The IMF should continue to help countries formulate economic adjustment plans, but will also be called upon to develop new mechanisms, such as enhanced surveillance arrangements to monitor economic performance in the absence of formal IMF lending programs. We have urged other international financial institutions especially the World Bank and Inter-American Development Bank, to increase the disbursements to principal debtors by roughly 50 percent. Countries will also be assisted to sell state-owned enterprises to the private sector.

Enhancement of long term growth prospects for the debtor countries, as well as the creditor countries which trade with them, will not be achieved without considerable effort. We are encouraged that that effort is well underway and we will continue to support and assist it as well are able.

QUESTIONS SUBMITTED FOR THE RECORD BY MR. O'BRIEN

Diplomatic Security Supplemental (Embassy Security Package)

Question:

a) In FY 1986, you are requesting $706,866,000 in supplemental funds to implement the first phase of the Inman Panel recommendations concerning the security of U.S. diplomatic personnel and overseas missions. In this interim period, what precautions have been taken and what measures have been implemented to enhance the security of overseas personnel and buildings while Congress considers this funding request?

Answer:

FY 1985 funds allowed the Department to make perimeter improvements at 152 overseas posts. The Department is in the process of requesting that $15 million within the FY 1985 Security Supplemental be reprogrammed in order to continue these perimeter security improvements. The Department has not had a formal residential security program in the past. Individual Foreign Service posts continue to utilize their limited existing financial resources to remedy local residential security problems. The Department will continue to examine closely every threat received and provide evaluation, guidance, and equipment support to overseas posts as appropriate. This is accomplished via the Department's Threat Analysis Group and Threat Alert Program which permits prompt and concerted U.S. Government analysis and post notification in the event of a crisis, emergency, or terrorist incident. The Mobile Training Team (MTT) concept has been refined and expanded. The teams are composed of experienced security personnel who visit individual Foreign Service posts for the purpose of conducting specialized security training for post personnel. Lastly, the Department has restructured and enhanced its Coping With Violence seminar which is required for all Foreign Service personnel assigned overseas.

Diplomatic Security Supplemental (Embassy Security Package)

Question:

b) Given the prevailing climate of acute budgetary restraint, Congress may not provide the full level of funding you are requesting. What impact would such an action have on the security of personnel and buildings overseas?

Answer:

The impact of Congress not providing the full level of this request would lead to a less comprehensive security package and a less efficient security program for our personnel overseas. With limited funds available, the Department would be forced to scale back the newly proposed Residential Security Program which calls for security improvements at the residences of 9,600 employees. The emphasis of a reduced program would necessarily center on critical and high threat posts. We would be forced to discontinue our plans for enhancing residential security at medium and low threat posts. Further, a reduction in the level of funding would require reductions and modifications in the Perimeter Security Program which provides for the construction of major physical security improvements at 63 Foreign Service posts.

Question:

c) Does this request include only those items related to security or does it include other items as well?

Answer:

This request includes only those items related to improving the security posture at overseas and domestic diplomatic facilities, the protection of visiting dignitaries and foreign diplomats in the United States, and the management and administration of the Department of State's security programs and activities.

QUESTIONS SUBMITTED FOR THE RECORD BY MR. O'BRIEN

Proposing Cuts in Various International Organizations

Question:

Mr. Secretary, the Department is requesting in FY 1987 $432.9 million to fund U.S. membership and participation in various international organizations. These include, for example, the International Labor Organization, the International Hydrographic Organization, the International Jute Organization, the International Natural Rubber Organization, the International Office for Epizootics, and the International Seed Testing Association. Given the current budgetary realities and the nature of some of these organizations, I question the value of U.S. membership in them. I would be interested in your thoughts on that.

Answer:

The Contributions to International Organizations account funds our assessments for 46 organizations. In the case of each organization, we carefully considered the implications of joining, with full regard to our policy of limiting the proliferation of international organizations. In every case, we decided that the benefits justify the costs. This judgement was shared by the Congress since the Congress has specifically authorized U.S. participation in every organization included in this account.

Most of those you mentioned are quite small, but do serve clearly identifiable U.S. interests in a variety of fields. Unlike some of the larger ones, these organizations handle nonpolitical issues in specialized fields. U.S. participation in them offers a particularly favorable means for uncontentiously exercising our influence. The small scale of these organizations also makes for a relatively transparent budgeting process. We have had some notable success in keeping the growth of these organizations down to a reasonable level.

Continued U.S. participation in all international organizations is always subject to review at the very least by means of the annual budget preparation and approval process. U.S. withdrawal from United Nations Educational Scientific and Cultural Organization (UNESCO) is a clear demonstration of this review.

QUESTIONS SUBMITTED FOR THE RECORD BY MR. O'BRIEN

HOSTAGE SITUATION

Question:

1. I wonder if the State Department has any current information on the condition of the Americans held hostage in Lebanon. The last information made public came out before Christmas of last year.

Answer:

The State Department is constantly attempting to learn of the welfare and whereabouts of the hostages. Because the captors refuse to be in direct contact with us, we are obliged to rely on indirect sources. Our best estimate is that five of the hostages are alive and in reasonably good health, given the circumstances of their captivity. Although the kidnappers have claimed that Mr. Buckley is dead, there is not any recent evidence relating to his welfare one way or the other.

Question:

2. How much of the State Department's $3 million available to pay rewards for information concerning terrorism has actually been paid out to date?

Answer:

The Department has been appropriated $2 million (vice $3 million) for rewards concerning terrorists. Of this amount, $850,000 has been offered as follows:

Reward	For Information Concerning
$250,000	TWA Flight #847 hijacking (June 13, 1985)
$250,000	Kuwait Air hijacking (Dec. 4, 1984)
$100,000	El Salvador cafe shooting (June 19, 1985)
$250,000	Achille Lauro ship hijacking (including Abu el Abbas - Oct. 7, 1985)
$850,000	TOTAL

To date, no monies have been paid out of this account.

HOSTAGE SITUATION

Question:

3. Critics charge that the State Department, following the resolution of the TWA hijack crisis, dismantled its high level hostage task force and let up on its efforts to secure the release of the hostages. I know this is not true. However, in order to be able to respond intelligently to these critics, I think it would be useful to know exactly what personnel and resources the State Department has dedicated to winning the release of the hostages.

Answer:

The State Department has a standing committee which meets twice a week or more often as needed to coordinate all the efforts within the State Department regarding the hostages, and keep in constant contact with the hostage families. On a government-wide basis, the hostage question is regularly discussed from the White House level down to working groups in State, Defense, Justice, DEA as well as the intelligence community. The principal coordination responsibility rests with the Office of the Ambassador-at-Large for Terrorism. Regarding priority given to the issue, the President has personally directed all involved with the problem to devote all available resources to seek the hostages' release at the earliest possible date.

QUESTIONS SUBMITTED FOR THE RECORD BY MR. O'BRIEN

ETHICS

Q. 1 - Particular media attention has been paid to the increasing phenomenon of former high-level Reagan Administration officials representing foreign intersts in apparent opposition to the trade and economic policies and the foreign policy goals of the Administration. Is this helpful or harmful to United States interests?

A. - As you know there are a number of laws that already govern certain activities by ex-officials of the U.S. For example, they must avoid acting for a period of time on matters they worked on while in the government. If they represent foreign governments, they must ensure compliance with the Foreign Agents Registration Act and other notification requirements. In addition, ex-officials may not use for private purposes classified or non-public official information gained as a result of their former government employment.

A conflict or appearance of impropriety may be raised if a Department official were to provide preferential treatment to an ex-official based on past government associations. The Department's conduct regulations (e.g., 3 FAM 620 Appendix A, Section 10.735-101 and following) require that Department employees take no action that could result in, or give the appearance of, using public office for private gain, giving preferential treatment to any person, making a government decision outside official channels, or affecting adversely the confidence of the public in the integrity of the government. Further, Department officials are generally prohibited from accepting anything of monetary value from a person who has business with the Department, has interests that could be substantially affected by the employee's official duties, or appears to be seeking advantage in dealings with the Government.

The Department is committed to providing fair and equal treatment, as well as providing due access, to all, including clients of ex-officials, but without showing favoritism to any particular person. It is not possible to reach a conclusion in the abstract whether representation of foreign governments that complies with these requirements is helpful or harmful to United States interests.

Ethics

Question:

It has come out recently in the news media that a well-known Washington lobbyist has signed up to represent the communist regime in Angola. I wonder if this kind of arrangement poses any serious problems for U.S. diplomacy in Africa?

Answer:

The firm in question recently ended its relationship with the Angolan government. However, in principle, we have no objection to such arrangements as long as they comply with the relevant laws governing the registration of agents for foreign governments.

QUESTIONS SUBMITTED FOR THE RECORD BY MR. CONTE

Secretary of State, FY 1987 Requests, Commerce, Justice, State

Question:

Regarding diplomatic security, you are well aware, of course, that this rather large package, $700 million in FY 1986 and $1.4 billion in FY 1987, comes at the very worst time in terms of our efforts to reduce the budget deficit of this nation.

At the same time, the administration is requesting $15.2 billion in foreign economic and military assistance for FY 1987, excluding the Export-Import Bank, which is not really foreign aid. That figure is an increase of $1.9 billion over the adjusted FY 1986 appropriation, after Gramm-Rudman.

Now this diplomatic security package unfortunately falls into the same budget category -- function 150, international affairs -- as foreign aid. We are going to have to make some difficult and uncomfortable choices up here, because we are not going to get everything you are asking for in these areas.

In your opinion, which would have higher priority: diplomatic security or security assistance to the Middle East and the Base rights countries?

Answer:

It is of course a difficult budget year, given the impact of the Gramm-Rudman-Hollings Act and the number of important programs requiring funding in the international affairs area. But it would be a mistake to enforce a competition between these two programs -- diplomatic security and security assistance. Reducing funding for either program area to benefit the other would result in damaging cuts that would significantly weaken our ability to pursue U.S. foreign policy objectives. The budget proposals that the Administration has developed and submitted to the Congress represent a carefully-considered balancing of our overall foreign policy requirements in light of the current fiscal climate. Attempting to enforce 'trade-offs' within these requests would therefore inevitably upset this balance and create dangerous vulnerabilities within the affected programs.

Secretary of State, FY 1987 Requests, Commerce, Justice, State

Question:

2. It is said that charity starts at home, and I believe that should also apply to security. What is in this diplomatic security request, or in your regular FY 1987 request, for security enhancement for the Main State Building here in Washington?

What actions have been taken thus far?

In my opinion, you have a tragedy waiting to happen until you can get better control of those streets around your building; "C" Street, "D" Street and that little spur of 22nd Street which leads directly up to the diplomatic entrance should be closed to all but official and necessary traffic.

I realize you have to work with the District of Columbia government on that, but what is the status of those efforts?

Do you need help from the Congress or this Committee to get the District's attention?

Answer:

The Department of State has requested a total of $6.4 million over the next five years to upgrade the perimeter security at the Main State Building. These improvements will entail the:

extension of existing perimeter barriers and the expansion of guard forces;

installation of special security barriers at entrances, with the exception of the 21st Street;

establishment of security control points at appropriate locations on "C" and "D" Streets, and placement of closed circuit television cameras on the rooftops of surrounding buildings;

installation of Mylar film to building windows;

redesign of "C" Street (Diplomatic) and 21st Street lobbies; and

master plan study of the outer perimeter security needs.

The Department plans to close "C" and "D" Streets and the portion of 22nd Street which runs directly up to the diplomatic entrance with a continuation of the public streets project mentioned earlier.

The Department does not know at this time if it will need the assistance of Congress or the Committee and will not be able to address that question until the master plan study is complete.

Secretary of State, FY 1987 Requests, Commerce, Justice, State

Question:

The President has just sent up the proposed sale of various types of sophisticated missiles to Saudi Arabia, totalling $354 million. Since they pay cash, this committee would not get involved in this proposal, but as members of the House, we cannot avoid the issue.

Would you take this opportunity to justify that sale, and respond, if you will, to charges that these weapons could fall into the hands of terrorists and therefore threaten Israeli and U.S. interests, facilities and personnel in the Middle East region and possibly elsewhere?

Answer:

These arms, all systems or variants of systems already in the Saudi inventory, are needed for Saudi defense, can be absorbed within the Saudi military and do not represent a threat to Israel. We have validated the military requirements for these missiles and had intended to go forward with this sale later this year.

Four considerations prompted us to move immediately:

-- First, Iran has succeeded in crossing the Shatt al-Arab River and establishing a beach-head on the border with Kuwait, significantly increasing the threat to Kuwait, Saudi Arabia and the other Arab Gulf states.

-- Second, our past willingness to support Saudi self-defense has served as a deterrent to Iran. Acting now sends a strong signal to Iran.

-- Third, the current unstable situation in South Yemen, exacerbated by Soviet interference, raises the potential of a renewed threat on Saudi Arabia's southern border.

-- Fourth, we have had several direct appeals from the Saudis to move these notifications forward now. It is essential to the overall U.S.-Saudi bilateral relationship, and to our credibility with the rest of the gulf Arabs, that we meet this request.

These arms notifications, while modest, support vital U.S. strategic interests. Further strengthening of Saudi air defense capabilities makes a major contribution to Saudi security and to our regional security objectives. It also reduces the probability of a need for any direct U.S. military involvement at some point in the future.

We are confident that Stingers provided to Saudi Arabia will not find their way into the hands of terrorists. Saudi Arabia has agreed to implement a stringent safeguard regime which meets U.S. guidelines. The record of Saudi Arabia on keeping sensitive items, such as Redeye and Stinger missiles, secure and out of the hands of terrorists has been spotless. Since Stingers were delivered more than a year ago, the Saudis have fulfilled completely their agreement regarding storage and security of the missiles. We have no doubts concerning their ability to properly safeguard the additional Stinger systems.

Question:

Mr. Secretary, as you know, the recently released report of the President's Commission on Organized Crime dealing with drug trafficking included more than 70 legislative, enforcement and diplomatic recommendations. One of those recommendations is that the State Department develop specific rules for cutting off foreign aid to countries that fail to crack down on drug production and shipment. Would you respond to that recommendation by identifying the worst culprit countries in terms of drug production and/or transhipment affecting the U.S. and in terms of how much of an effective handle the U.S. might have with our foreign assistance programs? Is the Department going to draw up those specific rules called for in the Commission's report? If so, when might we see those come out?

Answer:

Section 481 of the Foreign Assistance Act, as amended in 1971, states that, if the President determines that a major illicit drug producing country has failed to take adequate steps to prevent narcotic and psychotropic drugs and other controlled substances, produced or trafficked within their territories, from being smuggled into the U.S., the President shall suspend assistance to or for such country. P.L. 98-164 further amended this provision by specifying considerations which the President should make in determining whether adequate steps have been taken, including reductions in levels of production, and other enforcement actions, to the maximum extent possible. The Department believes these guidelines are sufficient and does not propose drawing up rules which, inter alia, would tend to restrict the very kind of flexibility which the President must have in foreign policy decisions. We note that P.L. 98-164 specifies 11 major categories of data which we must provide to Congress in our annual International Narcotics Control Strategy Report, including data related directly to the "adequacy" criteria.

We are sending you under separate cover a classified report we provide to Congress, as part of our P.L. 98-164 reporting requirement, in which we discuss the issue of leverage. In this report, we provide data on the various kinds and amounts of economic and military assistance received by narcotics source countries. Note that such assistance is not a factor in such major source countries as Mexico and Colombia, where we have narcotics eradication/enforcement programs, or in Iran, Afghanistan and Laos where these programs are not politically possible.

We have advised the authorization and appropriations committees through our annual report that all source countries are currently meeting the adequacy standard, although not our expectations, and we do not propose suspending assistance to any country. We note in making this statement that we have been withholding the bulk of development assistance to Bolivia since 1984, because it is conditioned on Bolivia undertaking a coca eradication program, and that Congress has withheld certain funds for Bolivia and Peru, pending certification of their progress in selected narcotics-related activities.

We believe we have an increasingly successful program. We believe 1985 was a very productive year for program expansion and internationalization of the narcotics issue. Five years ago, only two nations were engaged in crop eradication. In 1985, fourteen countries conducted eradication programs. Colombia, which was once viewed as one of the most difficult challenges we faced, eradicated 85 percent of the marijuana cultivated in the north coast area. Burma has begun aerial eradication of opium poppy. Thailand stepped up the pace of its poppy destruction campaign. Peru, Ecuador, Belize, Panama and Jamaica all set new marks in eradication. Admittedly, there are problems, including our disappointments with Mexico and Bolivia. However, at year's end, corrective measures were being put in place in those countries and elsewhere. In 1985 for the first time it was clear to all nations that there is no longer a distinction among them: all nations share the adverse effects of narcotics abuse and trafficking, and all nations must be part of the solution. We find more and more nations willing to exert the political will to get the job done.

WEDNESDAY, MARCH 12, 1986.

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

WITNESSES

RONALD I. SPIERS, UNDER SECRETARY OF STATE FOR MANAGEMENT, DEPARTMENT OF STATE

ROBERT E. LAMB, DIRECTOR, BUREAU OF DIPLOMATIC SECURITY, DEPARTMENT OF STATE

RICHARD N. DERTADIAN, DEPUTY ASSISTANT SECRETARY OF STATE FOR FOREIGN BUILDINGS, DEPARTMENT OF STATE

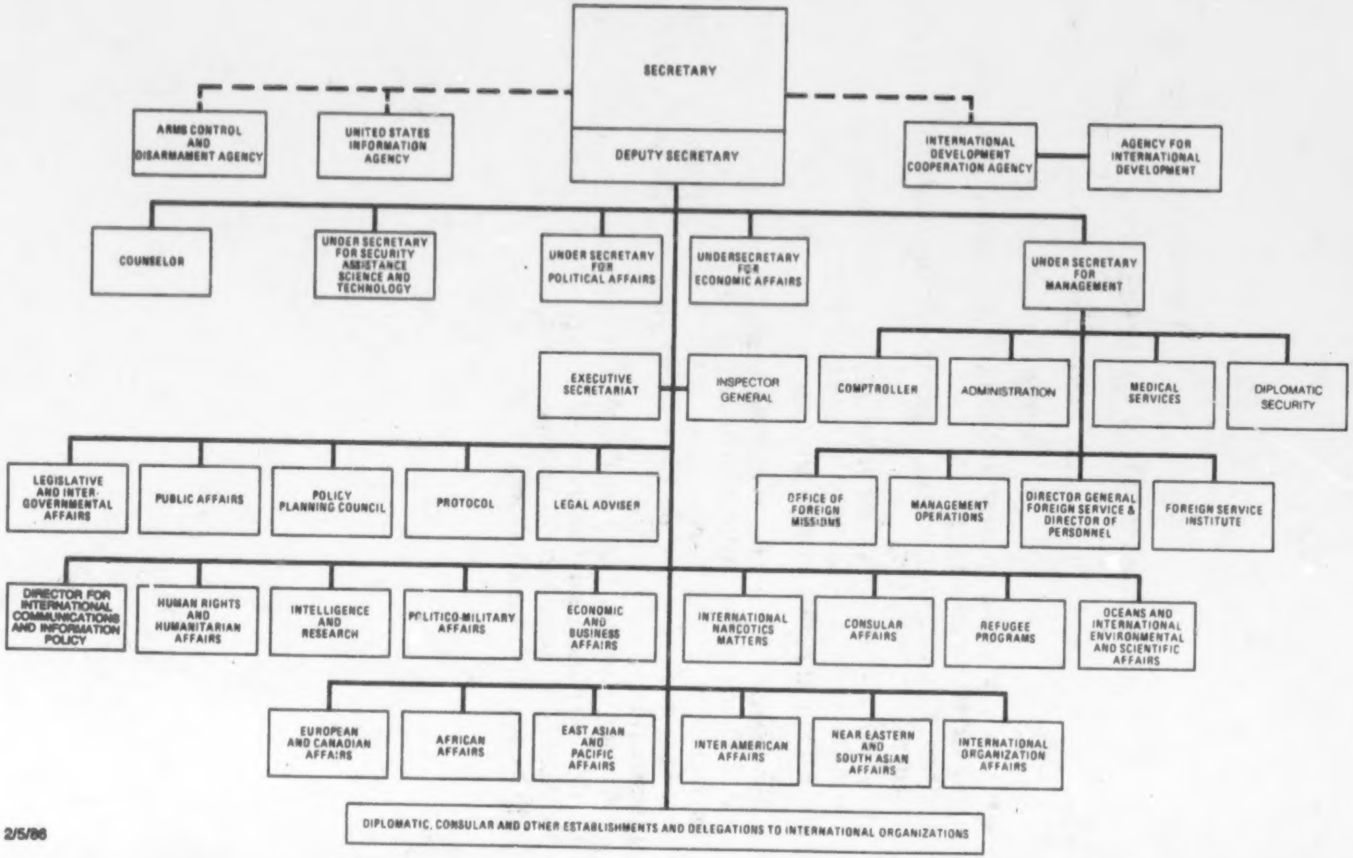
ROGER B. FELDMAN, COMPTROLLER

Mr. SMITH. This afternoon we consider the request for Salaries and Expenses for Administration of Foreign Affairs in the Department of State. The request is for $1,841,559,000, and this is an increase of $147.4 million over fiscal year 1986, adjusted for the sequestration.

We shall insert the justification materials submitted in support of this request and the request for the New Diplomatic Security Program in the record at this point.

[The justifications follow:]

DEPARTMENT OF STATE


SECRETARY
DEPUTY SECRETARY
ARMS CONTROL AND DISARMAMENT AGENCY
UNITED STATES INFORMATION AGENCY
INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
COUNSELOR
UNDER SECRETARY FOR SECURITY ASSISTANCE SCIENCE AND TECHNOLOGY
UNDER SECRETARY FOR POLITICAL AFFAIRS
UNDERSECRETARY FOR ECONOMIC AFFAIRS
UNDER SECRETARY FOR MANAGEMENT
EXECUTIVE SECRETARIAT
INSPECTOR GENERAL
COMPTROLLER
ADMINISTRATION
MEDICAL SERVICES
DIPLOMATIC SECURITY
LEGISLATIVE AND INTER-GOVERNMENTAL AFFAIRS
PUBLIC AFFAIRS
POLICY PLANNING COUNCIL
PROTOCOL
LEGAL ADVISER
OFFICE OF FOREIGN MISSIONS
MANAGEMENT OPERATIONS
DIRECTOR GENERAL FOREIGN SERVICE & DIRECTOR OF PERSONNEL
FOREIGN SERVICE INSTITUTE
DIRECTOR FOR INTERNATIONAL COMMUNICATIONS AND INFORMATION POLICY
HUMAN RIGHTS AND HUMANITARIAN AFFAIRS
INTELLIGENCE AND RESEARCH
POLITICO-MILITARY AFFAIRS
ECONOMIC AND BUSINESS AFFAIRS
INTERNATIONAL NARCOTICS MATTERS
CONSULAR AFFAIRS
REFUGEE PROGRAMS
OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS
EUROPEAN AND CANADIAN AFFAIRS
AFRICAN AFFAIRS
EAST ASIAN AND PACIFIC AFFAIRS
INTER AMERICAN AFFAIRS
NEAR EASTERN AND SOUTH ASIAN AFFAIRS
INTERNATIONAL ORGANIZATION AFFAIRS
DIPLOMATIC, CONSULAR AND OTHER ESTABLISHMENTS AND DELEGATIONS TO INTERNATIONAL ORGANIZATIONS

2/5/86

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

For necessary expenses of the Department of State and the Foreign Service, not otherwise provided for, including obligations of the United States abroad pursuant to treaties, international agreements, and binational contracts (including obligations assumed in Germany on or after June 5, 1945), expenses authorized by section 9 of the Act of August 31, 1964, as amended (31 U.S.C. 3721), and section 2 of the State Department Basic Authorities Act of 1956, as amended (22 U.S.C. 2669); telecommunications; expenses necessary to provide maximum physical security in Government-owned and leased properties and vehicles abroad; permanent representation to certain international organizations in which the United States participates pursuant to treaties, conventions, or specific Acts of Congress; acquisition by exchange or purchase of vehicles as authorized by law, except that special requirement vehicles may be purchased without regard to any price limitation otherwise established by law; [$1,455,000,000] $1,841,559,000. (Department of State Appropriations Act, of 1986; additional authorizing legislation to be proposed.)

[REOPENING CONSULATES]

[For necessary expenses of the Department of State and the Foreign Service for reopening and operating certain United States consulates as specified in section 103 of the Department of State Authorization Act, fiscal years 1982 and 1983, $1,700,000.] (Department of State Appropriation Act, 1986.)

Proposed Change:

Congress provided a separate appropriation in fiscal year 1983, 1984, 1985, and 1986 to fund the reopening and operation of six posts. The posts are Brisbane, Australia; Turin, Italy; Nice, France; Goteburg, Sweden; Bremen, Federal Republic of Germany; and Salzburg, Austria. For 1987, operating costs are included in the Salaries and Expenses Appropriation.

SALARIES AND EXPENSES
FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate	7,696	4,659	7,837	20,192	$1,694,194
Current Services Adjustments					
Adjustments for One-Time Costs	--	--	--	--	-69,009
Annualization of 1986 Increases	--	--	--	--	81,202
1987 Wage Increases	--	--	--	--	9,161
1987 Price Increases	--	--	--	--	33,506
Subtotal, Increases	--	--	--	--	123,869
SUBTOTAL, Net Current Services Inc.	--	--	--	--	54,860
1987 Current Services	7,696	4,659	7,837	20,192	1,749,054
Program Changes					
Management Savings	-166	--	-35	-201	-11,120
Ongoing Security Requirements	--	--	--	--	2,000
Reporting and Analysis	56	104	38	198	10,000
Conduct of Relations with Micronesia	2	--	--	2	800
Overseas Consular Workload	--	13	21	34	1,571
Overseas Administrative Support	--	32	82	114	3,557
Information Systems	78	31	35	144	26,570
Communications Programs	--	--	--	--	2,000
Professional Development and Training (FSI Facility)	--	--	--	--	4,000
New Requirements as the Result of 1986 Security Supplemental	65	52	--	117	53,127
SUBTOTAL, Program Changes	35	232	141	408	92,505
1987 Request (Budget Authority)	7,731	4,891	7,978	20,600	1,841,559

Salaries and Expenses

Balanced Budget and Emergency Deficit Control Act of 1985

($000 in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$1,456,700	-$62,638	$1,394,062

-PROGRAM, PROJECT, ACTIVITY DETAIL-

Appropriation	1986 Appropriation	1986 Sequester	1986 Revised
Reopening Consulates	$ 1,700	$ -73	$ 1,627
Executive Direction and Policy Formulation	76,287	-3,280	73,007
Conduct of Diplomatic Relations	97,468	-4,191	93,277
Conduct of Consular Relations:			
Overseas: Consular Affairs, Visa Services, Citizen Services	92,826	-3,992	88,834
Domestic: Passport Services	26,402	-1,135	25,267
Security	148,791	-6,398	142,393
Communications Systems	196,738	-8,460	188,278
Information Systems	31,821	-1,368	30,453
Medical	14,817	-637	14,180
Professional Development and Training	10,780	-464	10,316
Administrative and Staff Activities	84,672	-3,641	81,031
Office, Housing Facilities and S&E BOE	133,884	-5,757	128,127
American Salaries/Post Assignment Travel	540,514	-23,242	517,272
Appropriation Total	$1,456,700	-$62,638	$1,394,062

The information presented above represents the Program, Project or Activities (PPA) and amounts for this appropriation identified in the Presidential order issued February 1, 1986. The amounts reflect the application of the 4.3% reduction to each affected PPA without regard to the current status of funds for specific PPA's. In some instances, funds may have been previously obligated and/or disbursed. In these situations, appropriate action will be taken to assure that adequate funds are available when the President's order becomes effective on March 1.

In the document that follows, the 1986 column reflects amounts appropriated by Congress. The effects of the 1985 Deficit Reduction Act were not received in time to be incorporated within individual budget units.

[illegible]

SALARIES AND EXPENSES
FY 1987
SUMMARY OF ACTIVITIES
(dollars in thousands)

	POSITIONS			FUNDS		
Comparison of Activities	1985 Actual	1986 Estimate	1987 Request	1985 Actual	1986 Estimate	1987 Request
Executive Direction and Policy Formulation	2,054	2,064	2,059	$67,392	$71,529	$73,661
Conduct of Diplomatic Relations with Foreign Countries	3,684	3,745	3,929	91,107	99,168 a/	106,991
Conduct Of Consular Relations:						
Domestic: Passport Services	709	799	799	27,243	26,402	26,817
Overseas: Consular Affairs Visa Services, Citizen Services	2,634	2,634	2,668	87,878	92,826	94,104
Security	1,011	1,764	1,881	211,414	386,285	455,170
Communications	1,749	1,769	1,769	198,003	196,738	195,968
Information Systems	499	512	656	47,980	53,841	78,011
Medical Services	186	186	187	12,221	14,817	15,442
Professional Development and Training	393	393	393	10,151	10,780	14,820
Administrative and Staff Activites	6,383	6,326	6,259	82,340	84,672	93,618
Office and Housing Facilities				113,293	116,622	123,568
American Salaries and Post Assignment Travel				510,078	540,514	563,389
TOTAL	19,302	20,192	20,600	1,459,100	1,694,194	1,841,559
Emergency Deficit Control Act of 1985 Sequestration					62,638	
REVISED TOTAL	19,302	20,192	20,600	1,459,100	1,631,556	1,841,559

a/ Includes $1,700,000 Reopening Consulates Appropriation

0236W

FY 1987
Summary of Activities
(Salaries and Expenses)

Resource requirements for the Department are presented in the following distinct summary activities:

Executive Direction and Policy Formulation

This activity identifies resources which provide sound management through the direction of the Secretary and with the assistance of staff offices, specialized offices and the functional and regional bureaus, for policy formulation and in pursuit of regional and global foreign policy objectives.

Conduct of Diplomatic Relations

Resources for this activity include: the political and economic reporting and analysis of interests to the United States; the representation of U.S. diplomatic and national interests to those countries abroad; and the bilateral and multilateral negotiation of our foreign policy objectives. These resources also fund the conduct of U.S. diplomatic policy through political and multilateral affairs, economic and social affairs, international budgetary and management affairs, and our participation in various international conferences and international organizations abroad, the domestically located missions to the UN and the Organization of American States (OAS) as well as by the Department's Bureau for International Organization Affairs.

Conduct of Consular Relations

This activity includes visa issuance and the providing of consular and passport services to American citizens both domestically and abroad. Specifically, the overseas activities include: the conduct of consular affairs at overseas embassies and consulates; the conduct of visa functions involving the issuance, denial and adjudication of immigrant and non-immigrant visas, refugee processing and visa fraud detection and investigation; and the conduct of Citizen Services involving the issuance of passports, emergency services to American citizens abroad, and passport fraud detection and investigation. Domestically, the passport services activity includes the responsibility for administering laws, formulating regulations and recommending and implementing polices relating to the determination of U.S. citizenship and nationality. This activity is also responsible for the conduct of all passport activities, including the documentation and control of travel of U.S. citizens and Nationals.

Security

This activity identifies resources necessary in meeting security and counter-terrorism responsibilities, both foreign and domestic. Covered in this activity are: security operations, such as coordination of the worldwide counterintelligence, physical security of embassies, consulates and overseas office, Main State and other U.S. Departmental office buildings and residential and personal security programs; engineering services, such as the technical security activities which relate to the technical defense of Foreign Service personnel and establishments against electronic and physical attack; investigations, such as malfeasance and passport fraud; protection of dignitaries, including the Secretary of State, visiting foreign dignitaries and resident foreign missions; and, physical security operations, including construction and security renovation projects to combat attacks, assaults and technical penetrations made against U.S. facilities and personnel for all of the foreign affairs agencies.

Communications Systems

Through this activity, worldwide telecommunications, pouch, mail, and classified information handling support is provided as required by the President, the Secretary of State, the Department and its 262 missions, and approximately 50 USG agencies within the Foreign Affairs community. In addition, resources provide primary and alternate communications centers, specialized communications services in support of the travel of the Secretary or other VIP's, major conferences and crisis situations; as well as providing for the plan, design, management operation and maintenance of all Department communications programs, facilities and systems as identified in Presidential, Congressional, National Security and Departmental mandates.

Information Systems

Included in this activity are general unclassified data and word processing support to the Department's Foreign Service posts through distributed minicomputer, microcomputer and office word processing systems. The activity supports the mission of the overseas posts in the areas of personnel, budget and fiscal management, non-immigrant and immigrant visa issuance, assistance to American citizens, representation fund accounting, visitor records, economic reporting activities, general services, and residential property management. In addition, other agencies are supported by specific systems, such as the Foreign Agriculture Service, the Foreign Commercial Service, and the Veterans Administration. The information systems activity includes funding for development, acquisition and expansion of major information systems for strategic planning and information processing, information handling systems, consular activities, personnel, financial systems and property management.

Medical

This activity encompasses medical programs for the Department of State, the Foreign Service, and 35 other U.S. Government departments and agencies overseas. Services are provided in Washington as well as at 253 posts worldwide and cover some 60,000 employees and dependents.

The domestic operation of the medical program involves executive direction, health units, diagnostic medicine for purposes of initial employment, clearance for overseas duty and separation, family liaison, evacuations, referrals, medical records and medical-supply. Overseas, the mission is primary medical care, psychological and public health service for those covered by the medical program. Cases involving care beyond the capability of the health unit or other local hospitals are transported to the nearest adequate medical facility.

Professional Development and Training

The professional development and training activity is a continuous process by which the Department ensures that its professionals have the skills, experience and judgment to fulfill its functions at all levels. Particular emphasis is placed on preparing all Foreign Service officers for the broad responsibilities they face upon entry into the Service. Training programs are designed to provide employees with the specific functional, area and language skills needed for the conduct of foreign relations both in the Department and abroad.

Administrative and Staff Activities

These activities include normal domestic and administrative services such as:

-- General Administration - The direction and control of all administrative and management operations, representing and negotiating U.S. government administrative matters with foreign officials and reviewing and setting resource levels and priorities for the various programs and bureaus in the Department.

-- Budget and Fiscal - The budgeting, financial planning and fiscal operations for the Department of State and most federal agencies resident abroad.

-- Personnel - The management, recruitment and performance evaluation of the Department's Foreign and Civil Service employees and Foreign Service National staff.

-- General Services - The contracting and procurement of services and supplies, maintenance and repair of equipment and physical property, vehicle operations and shipping and customs services.

Office and Housing Facilities

These resources are allotted to the Office of Foreign Buildings Operations which centrally manages this function. The funds are used for the payment of short term leases (less than 10 years), utilities, household furnishings, living quarters allowances and temporary lodging allowances at overseas posts.

American Salaries/Post Assignment Travel

The centralized American Salaries requirement provides funding for the payment of salaries and worldwide related benefits to full-time permanent employees.

Post Assignment Travel funds provide for travel, transportation and related items in connection with assignment, transfer, and separation for the Department's American full-time permanent staff and their dependents. This account is managed centrally in Washington. Major costs that are funded include the following: airfares, shipping, excess baggage, associated per diem, ocean and air freight, packing, hauling, unpacking and storage.

Salaries and Expenses

Explanation of Current Services Adjustments

The 1987 Current Services level of $1,749,054,000 reflects a net increase of $54,860,000 above the 1986 enacted appropriation of $1,456,700,000 and proposed Security Supplemental of $237,494,000.

Adjustments for One-Time Costs total $69,009,000 to reflect reductions for one-time requirements associated with programs and activities funded in 1986. Of this amount, $61,168,000 represents one-time costs associated with the 1986 Security Supplemental. Examples of these one-time cost items are $17,516,000 for the Perimeter Security program, $2,308,000 for a Security Training Center and $24,201,000 for the Alternate Automated Data Processing Center.

Current Services Adjustments result in an increase of $123,869,000 for uncontrollable items such as annualization of 1986 programs and mandatory wage and price increases. Included in the current services adjustments are $74,063,000 in annualization and price increases associated with the 1986 Security Supplemental.

1986 Estimate	**$1,694,194,000**
Current Services Adjustments	$ 123,869,000
Adjustment for One-Time Costs	$ -69,009,000
Net Current Services Increase	**$ 54,860,000**
ANNUALIZATION OF 1986 INCREASES	**$ 81,202,000**

FOREIGN SERVICE NATIONAL WAGE INCREASES .... $ 2,002,000

Provides for the estimated annualization of wage increases to be authorized during 1986 for Foreign Service National employees at posts abroad.

NEW 1986 AMERICAN POSITIONS .... $ 5,769,000

Reflects annualization of salary and support costs for the new American positions approved in 1986: reporting and analysis, (70); security, (140); information systems (13), and communications (20).

OVERSEAS PRICE INCREASES .... $ 4,987,000

The annualization of increases which are related to salaries and other operating costs, particularly rents, contractual services and utilities.

OTHER ANNUALIZATION .... $ 950,000

Includes annualization of airfares ($600,000) and ongoing maintenance of new mini-computer equipment ($350,000).

1986 SECURITY SUPPLEMENTAL.................................... $ 67,494,000

This provides for the annualization of expenses associated with the 1986 Security Supplemental. This includes such major items as $6,574,000 for the Residential Security program and $21,990,000 associated with the replacement of Foreign Service National Employees at Soviet and Eastern European posts.

1987 WAGE INCREASES.. $ 9,161,000

WITHIN-GRADE SALARY INCREASE.................................. $ 5,258,000

Provides for American and Foreign Service National within-grade salary increases after adjustments for promotions and personnel turnover.

FOREIGN SERVICE NATIONAL WAGE INCREASES......... .... $ 3,903,000

Meets Foreign Service National wage scale increases expected in 1987 in various countries and permits us to maintain comparability with local wage needs.

1987 PRICE INCREASES... $ 33,506,000

OVERSEAS.. $ 9,413,000

Cost of conducting foreign affairs overseas continues to escalate with anticipated price increases being reflected in transportation, supplies, materials rents and contractual services.

DOMESTIC.. $ 16,940,000

This increase in domestic prices is in accordance with the OMB deflator factor of 4.2% for such items as equipment supplies and utilities. This increase is primarily contained in the following areas: GSA Standard Level User Charges, $15,925,000; GPO Printing, 215,000; and airfares, 800,000

WORKMEN'S COMPENSATION... $ 316,000

The increase is attributed to the rising medical costs and other allowances for Department employees injured on the job.

SEABEE PAY AND ALLOWANCES...................................... $ 268,000

The State Department reimburses the Department of the Navy on a composite rate basis for pay, allowances and retirement accrual of the 144 Seabees currently assigned to the Naval Support Unit. The cost of this reimbursement is increasing in 1987 as a result of the projected 4% military pay raise.

1986 Security Supplemental.................................... $ 6,569,000

As a result of the 1986 Security Supplemental, $6,596,000 is required for price increases for such items as the residential security program and the protection of foreign officials in the U.S.

1987 Current Services.......................................$1,749,054,000

0192W

Summary of Program Activities

(000's)

Program Activity	1986 Estimate		1987 Request		Incr./Decr. (-)	
	Position	Funds	Position	Funds	Position	Funds
Management Savings	--	--	-201	-$11,120	-201	-$11,120
Ongoing Security Requirements	1,169	$283,126	1,169	285,126	--	2,000
Reporting and Analysis	3,759	242,906	3,957	252,906	198	10,000
Conduct of Diplomatic Relations with Micronesia	--	--	2	800	2	800
Overseas Consular Workload	2,634	132,758	2,688	134,329	34	1,571
Overseas Admin Support	5,344	221,409	5,458	224,966	114	3,557
Information Systems	512	69,964	656	96,534	144	26,570
Communications Programs	1,769	259,304	1,769	261,304	--	2,000
Professional Development	393	28,552	393	32,552	--	4,000
New Requirements-Diplomatic Security Program	595	237,494	712	303,516	117	66,022 a/

a/ Includes $53,127,000 in new program requirements

Management Savings

FY 1987
SUMMARY STATEMENT

(dollars in thousands)

1987 Savings	
Pos	Funds
-201	-$11,120

I. Summary

In support of the Administration's deficit reduction program, the Department plans to continue with several management related initiatives. Savings as a result of these initiatives will be achieved through productivity improvements, realignment of workloads, contracting to the private sector functions now conducted by the Department, and a where cost effective, a greater use of automation.

II. Current Programs

As a result of 1986 management savings, the Department will be able to reduce 68 positions and $7,911,000. These savings will be achieved through reductions in the grade structure, reducing the number of personnel positions and efficiencies in administrative activities such as management of the pouch room.

III. 1987 Plans

In 1987 the management initiatives program will continue with the result that savings will be achieved in the following areas:

Personnelists, 82 positions and $3,120,000. In 1987 the Department will continue its efforts to reduce personnel functions in order to achieve position and dollar savings. These efficiencies will be achieved in part through automation and realignment of work requirements.

Productivity Savings, 84 positions and $4,000,000. As a result of productivity improvements in the delivery of administrative and consular operations, in 1987 the Department will be able to save 84 positions and $4 million. These savings will be realized through the contracting out to the private sector certain administrative activities and where cost effective, the continued automation of financial management, consular and passport operations

Efficiencies in Constituent Post Operations, 35 positions and $4,000,000. In 1987 as a result of productivity improvements at constituent posts and the continued realignment of workloads, the Department will be able to achieve savings of 35 positions and $4 million in associated salary and support costs from the operations of constituent posts.

0156W

Security Requirements

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr. (-)	
Positions	Funds	Positions	Funds	Positions	Funds	Positions	Funds
ONGOING SECURITY PROGRAM:							
1,011	$315,853	1,169	$283,126	1,169	$285,126	--	$2,000
NEW OVERSEAS DIPLOMATIC SECURITY PROGRAM:							
--	--	595	237,494	712	303,516	117	66,022 a/
TOTAL SECURITY PROGRAM:							
1,011	$315,853	1,764	$520,620	1,881	$588,642	117	$68,022

a/ Includes $53,127,000 in new program increases

I. Summary

The Department's worldwide security program is the responsibility of the Bureau of Diplomatic Security (formerly the Offices of Security, Information Systems Security and Counterterrorism and Emergency Planning and a small component of the Bureau of Administration's Executive Office). Counterterrorism policy is coordinated in the Office of the Ambassador-at-Large for Counterterrorism. An overview of the Department's security program is presented below. The request of $66,022,000 is presented in a separate FY 1986 supplemental submission for the diplomatic security program.

II. Current Programs

Under several initiatives, including the two-year 1985 Security Supplemental, the Department has implemented improvements to enhance the physical security protection of U.S. missions and personnel abroad. The major thrust of these initiatives include:

- -- perimeter barrier improvements;
- -- site acquisition, development and support to accelerate construction of secure office buildings in high-threat areas;
- -- additional seabees, overseas engineers and regional security officers to implement security measures abroad; and
- -- additional radios for Departmental security agents and overseas personnel.

In addition, significant initiatives that are being enhanced and strengthened in FY 1986, from both the FY 1986 appropriation (1,169 positions and $283,126,000) and the requested 1986 Supplemental (595 positions and $237,494,000) include:

-- modernization of technical countermeasures capabilities;

-- expanded maintenance requirements for technical and physical security systems installed overseas;

-- additional Marine Security Guards for existing and new detachments;

-- additional fully armored vehicles, light armor official vehicles, and special protective equipment;

-- specialized counter terrorism training through mobile training teams;

-- a strengthened contract personnel background investigations program to reduce the time required to process routine personnel security investigations.

III. 1987 Plans

The 1987 request includes the funds to achieve several goals initiated with the 1986 appropriation and 1986 security supplemental.

Specifically, this include ongoing security requirements for the Seabees Program, $2,000,000. The Office of Diplomatic Security requires Seabees for building, construction surveillance and other security-related activities at our overseas facilities. In 1987, the workload of the Seabee compliment will increase as a result of additional personnel needed to complete new office buildings in Khartoum, Amman, Pretoria, San Jose, Shenyang, and Chengdu. They are also needed to install upgraded communications systems in Milan, Niamey, Banjul, Brunei and Kaduna. This increase will provide for the salary, benefits and travel expenses for additional Seabees to meet this expanded workload.

In addition to the ongoing security program, included in the 1987 request are the following program enhancements that represent the second year requirements of the overseas security progrogram (117 positions and $53,127,000). These items are identifed in detail in the 1986 supplemental request.

-- 5 positions and $27,005,000 for communications, primarily protection of classified office equipment, shielded enclosures and radio support;

- -- 30 positions and $13,764,000 for residential security to cover all agencies at high threat posts;
- -- 10 positions and $4,191,000 for general administration and direction;
- -- 34 positions and $3,473,000 for security training;
- -- 15 positions and $2,014,000 to manage an overseas guard program and improve the caliber of these guards;
- -- 9 positions and $1,324,000 to counter sophisticated technical penetration of our facilities abroad; and
- -- 14 positions and $1,356,000 for engineering, vehicle replacement, protective equipment, security investigations, legal financial and audit support.

Reporting and Analysis

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
3,689	$237,906	3,759	$242,906	3,957	$252,906	198	$10,000

I. Summary

The Department of State's reporting is the single most important source of information on foreign affairs in the United States government. The Department regularly provides this information to more than 60 federal departments, agencies and public entities.

Reporting and analysis (R&A) encompasses all personnel directly involved in: overseas information collection, analysis, and reporting; and domestic analysis and the application of these analyses to the development of economic, political, scientific, and security-related policies. R&A personnel include Foreign Service Officers, Civil Service professionals, American support personnel overseas and at home, and Foreign Service National employees.

To be effective, reporting and analysis must address the thoughts and plans of key foreign leaders in developed and developing countries, including Communist countries. It must weigh the internal and external factors which influence those leaders, and how those leaders may react to our own decisions. Analysis of this kind must predict trends, intentions, and objectives; it must provide policy recommendations; and, it must further the interests of United States foreign policy.

Reporting and analysis usually demands the mastery of one or more foreign languages, an understanding of foreign cultures, and the ability to earn the confidence of foreign leaders. Such background and skills take time to develop. Reporting and analysis may be the product of insights that have been developed over months or even years.

There are four principal types of consumers of the Department's reporting and analysis: security-intelligence, economic-commercial, scientific-technical and public service entities. The Department provides more than half of the government's security-intelligence reports, and about two-thirds in the area of internal politics of other countries and international relations.

The demand for the Department's reporting and analysis has increased in recent years. This is largely due to new Congressionally-mandated requirements and less-formal requests from Congress. The threat of terrorist and other subversive activities against our overseas missions and friendly nations has also been a factor. The "Report of the Secretary of State's Advisory Panel on Overseas Security" addresses the threat against our overseas personnel, and recommends enhanced reporting and analysis capability to help thwart terrorist actions.

II. Current Programs

In 1986, the Department started to implement a three-year plan to rebuild its reporting and analysis capability. This plan took into account the Department's evaluation of reporting and analysis resources and the positions that were appropriated in 1985. Congress appropriated 70 positions for 1986 and they were allocated as follow:

Allocation of Reporting and Analysis Positions Received in 1986

Bureau	Americans
Oceans and International Environmental and Scientific Affairs	1
Economic and Business Affairs	4
African Affairs	13
Near Eastern and South Asian Affairs	16
East Asian and Pacific Affairs	11
Inter-American Affairs	10
European and Canadian Affairs	15
Total	70

III. 1987 Plans

The reporting and analysis resources that the Department is requesting for 1987 are part of the rebuilding plan started in 1984. The 1987 request addresses extensive needs in all regional bureaus, but especially the bureaus for Inter-American, African, and East Asian and Pacific Affairs. The request also addresses extensive needs in the Bureau of Intelligence and Research, as well as critical, but less extensive needs in other domestic bureaus.

Of the total 198 requested positions for FY 1987, most are for political reporting and analysis (121). The remaining positions are for economic reporting and analysis (55), science and technology (10), and executive direction (12).

The 1987 request for 198 R&A positions includes 160 American positions, of which 104 would be overseas, and 37 Foreign Service National positions. Funding in the amount of $10,000,000 is requested, including $5,144,000 for associated salary and Post Assignment and Travel costs and $4,856,000 for bureau support such as salary costs of Foreign Service National employees, office equipment, travel within country, and other costs.

1987 Request for Reporting and Analysis Positions by Category

Category	Positions
Political Affairs	121
Economic Affairs	55
Science & Technology	10
Executive Direction	12
Total	198

1987 Request for Reporting and Analysis Positions by Bureau

Bureau	Americans	FSNs	Total
Office of the Secretary	1	--	1
Politico-Military Affairs	6	--	6
Oceans and International Environmental and Scientific Affairs	5	--	5
Intelligence and Research	32	--	32
Economic and Business Affairs	5	--	5
African Affairs	30	6	36
East Asian and Pacific Affairs	32	4	36
Near Eastern and South Asian Affairs	10	8	18
Inter-American Affairs	19	13	32
European and Canadian Affairs	20	7	27
Total	160	38	198

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REPORTING AND ANALYSIS

Positions & Funds
PROGRAM CHANGES
Budget Year 1987
(dollars in thousands)

	POSITIONS				CENTRALLY MANAGED FUNDS			BUREAU MANAGED FUNDS	TOTAL FUNDS
	AMERICANS		FSN	TOTAL					
	DOM.	O'SEAS			SALARIES	PAT	TOTAL		
S&E BUREAU:									
Ofc of the Secretary..............	1	--	--	1	--	--	--	5	5
Politico-Military Af..............	6	--	--	6	--	--	--	21	21
Oceans/Envir/Science..............	5	--	--	5	--	--	--	12	12
Economic/Business Af..............	5	--	--	5	--	--	--	35	35
Intelligence/Resrch...............	27	5	--	32	--	--	--	698	698
African Affairs...................	2	28	6	36	--	--	--	997	997
Near East/S Asian Af..............	--	10	8	18	--	--	--	230	230
East Asia/Pacific Af..............	5	27	4	36	--	--	--	840	840
Inter Amer Affairs................	5	14	13	32	--	--	--	968	968
EUR/Canadian Affairs..............	--	20	7	27	--	--	--	1,050	1,050
American Salaries.................	--	--	--	--	3,272	--	3,272	--	3,272
Post Assignment Trav..............	--	--	--	--	--	1,872	1,872	--	1,872
TOTAL ALL S&E BUREAUS.............	56	104	38	198	3,272	1,872	5,144	4,856	10,000

Program Detail

Office of the Secretary, 1 Position and $5,000

Office of the Coordinator for International Labor Affairs, Political Officer and $5,000. The incumbent will have the primary responsibility for doing research and analysis of Soviet international trade union activities. He will also assess the effectiveness of the democratic trade union internationals in countering Soviet objectives as well as regional or country specific labor/political issues of high priority.

Politico-Military Affairs, 6 Positions and $21,000

Office of Theater Military Policy, Arms Control Specialist and $4,000. The Bureau has primary responsibility for State's participation in various arms control initiatives including START, INF, new discussions concerning SPACE, MBFR, CDE, and the discussions on chemical/biological weapons, anti-satellite weapons and nuclear testing. In addition, the Bureau has the lead in guiding and coordinating the interagency process. Other negotiations have been very active and the Bureau's arms control offices have been pressed to meet their ongoing responsibilities in support of the negotiating teams and to participate in the inter-agency deliberations on US negotiating positions and strategies. Accordingly, we will need one additional position in 1987 in support of the various arms control initiatives.

Office of Strategic Technology Affairs, Technical Specialist and $3,000. The control of the transfer of strategic dual use and missile technology to the Soviet Union and its allies remains one of the highest priorities of this administration. There are few areas which generate more intense international interest than those cases where the United States attempts to block lucrative commercial contracts by private industries in the United States or Western Europe for the sale of high technology items to the Eastern bloc. It is imperative that State maintain its role as an arbitrator between our commercial and national security interests.

Office of Theater Military Policy, Political Officer and $4,000. Because of resource constrants the Department has not given sufficient attention to the 40-nation Geneva Conference on Disarmament (CD) and the related UN First (Political) Committee. The work of these bodies covers a wide range of nuclear and non-nuclear issues, including our efforts to elicit international support for U.S. security policy and to negotiate a global ban on chemical weapons. The absence of regular Department representation on the delegation has led to numerous instances of non-coordination, as well as serious lost opportunities to influence U.S. allies. Moreover, U.S. Representative to the CD has requested that the Bureau provide a policy advisor to serve full-time on the U.S. Delegation to the CD during each of its bi-annual, three-month sessions.

Crisis Management Unit, 2 Positions consisting of a Foreign Service Officer and a Civil Service employee, and $8,000. The Bureau proposes the establishment of a "crisis management unit" which will require two additional positions devoted to: monitoring potential crises; organizing responses; and preparing after-action reports. The Secretary has tasked the Bureau of Politico-Military Affairs with a major role in organizing and staffing the Department's response to international crises with politico-military implications. For example, during the past 18 months, there has been a serious burden on PM Staff to respond to crises in Lebanon, Iran-Iraq, Chad, Sudan, Central America and the Carribbean has overtaxed the bureau's personnel.

Office of Strategic Technology Affairs, Secretary and $3,000. The Bureau requires an additional secretarial position in the office of Strategic Technology and Nuclear Affairs (6 officers; 1 secretary). This position is needed in order to manage a burgeoning clerical workload in the strategic technology office which has received a number of additional professional positions without a corresponding increase in secretarial support.

Oceans and International Environmental and Scientific Affairs, 5 Positions and $12,000

Office of Nuclear Technology and Safeguards, Science and Technology Civil Service Professional and $3,000. One program officer with technical/scientific experience and expertise is needed in the Office of Nuclear Technology and Safeguards to work on planning, negotiating, implementating and monitoring programs of spent fuel reprocessing and plutonium use. This officer will also work in the area of safeguards technical assistance as part of increasing U.S. efforts to ensure that effective safeguards are developed and applied by the International Atomic Energy Agency (IAEA) inspection corps.

Office of Food and Natural Resources, Political Officer and $3,000. An international relations officer is required in the Office of Food and Natural Resources to implement a recent Congressional mandate for OES to participate systematically in the interagency review and evaluation of development loans of the World Bank and the regional development banks. This is a large undertaking given the magnitude of the investments involved, their environmental impacts, and the growing Congressional and public criticism of many of these proposed projects.

Office of Environment and Health, Technical Assistant and $2,000. The position is needed to process the increasingly complicated and voluminous foreign notifications of U.S. exports of hazardous toxic wastes. We anticipate that Congress will pass new legislation, due to public and Congressional concerns over the chemical tragedy in Bhopal, India and its aftermath, which will mandate OES/E with new and expanded responsibilities.

Oceans and International Environmental and Scientific Affairs

Office of Food and Natural Resources, Secretary and $2,000. The incumbent is needed to support the requested officer position in this office. In addition, the incumbent will help absorb the increasing workload of the office.

Office of Nuclear Technology and Safeguards, Secretary and $2,000. The position is needed to support the requested professional position in this office. In addition, the secretary will help absorb the increasing workload of the office.

Economic and Business Affairs, 5 Positions and $35,000

Office of International Trade, Economic Officer and $9,000. Export controls now constitute a major issue in U.S. bilateral and multilateral national security and economic relations. The Coordinating Committee on Export Controls (COCOM) work program has expanded dramatically and now includes major U.S. policy initiatives, list review and a surge in exception cases resulting from growing exports to China. An additional officer is needed to handle the increasing level of high priority COCOM and bilateral export enforcement activities aimed at preventing diversions of U.S. technology.

Office of East-West Trade, Economic Officer and $5,000. Continued Administration focus on the use of international trade controls to achieve foreign policy and security objectives has resulted in a significant increase in Office of East-West Trade workload. This position will support the senior Security and Export Controls Division enforcement officer in his role as chief enforcement expert for the State Department. Responsibility will include coordinating all interagency preparations for ongoing improvements in enforcement efforts with other COCOM (Coordinating Committee on Export Controls) nations through the COCOM Sub-Committee on Export Controls. This position will supplement expanded U.S. and COCOM initiatives to persuade third world countries to limit the flow of controlled products and technologies to the USSR and Warsaw Pact. Such initiatives to coordinate and control the quality of demarches to our COCOM partners and other coordinating nations in seeking their support in blocking unauthorized shipments of embargoed products is key to rapid and effective response to increased diversionary efforts by the USSR.

Office of International Trade, Economic Officer and $5,000. The position is requested for the Special Trade Activities Division. The U.S. is the largest exporter of services at roughly $40 billion per year out of an estimated annual trade volume of $500 billion. Since 1980, the traditional U.S. surplus in this area has shrunk continuously and may now have crossed over into deficit. To redress this difficulty, the U.S. will seek the development of rules to limit the introduction of new barriers to trade services. The U.S. also wants services on the agenda for a new round of Multilateral Trade Negotiations.

Economic and Business Affairs

Office of Trade and Commercial Affairs, Economic Officer and $7,000. The Deputy Assistant Secretary for Trade and Commercial Affairs is responsible for nearly 25 percent of the Bureau's workforce and is the focal point for all international trade issues. The effects of an increasing U.S. trade deficit, pressures for protectionist actions, increased emphasis on providing assistance to U.S. companies doing business abroad, and the impact of international food crises has placed an unusually heavy workload on this key bureau manager without accompanying staff support resources. Effective management of and follow-up on fast-breaking, time sensitive trade issues is essential in the achievement of U.S. international economic policy goals. This position will provide a key element of substantive continuity in the management of highly volatile issues handled by three very diverse Offices under this Deputy's supervision. Coverage and follow-up on these wide-ranging international trade, commercial and food policy issues will significantly enhance the Bureau's ability to anticipate and respond to developments in these areas of international economic activity.

Office of East-West Trade, Secretary and $9,000. An additional secretary is needed to handle the increased workload associated with the processing of foreign policy export licensing cases. This workload has doubled from 584 cases in 1983 to 1,100 currently and this trend is expected continue.

Intelligence and Research, 32 Positions and $698,000

Department-level Research Program, $300,000. These funds are requested to support the external research requirements of the principals of the Department. Increasingly, senior policy decision makers of the Department need special policy-related studies. Areas of policy analyses expected to be performed include: post reporting evaluation; communications policy; Science and Technology; and economic analysis.

Bureau-level Research Program, $150,000. These funds are requested to increase the available funding for research of the priority requirements of the Department's regional and functional bureaus. This increased funding will allow the Bureau-level Research Program to undertake:

1) more extensive projects in which State's interests are not shared by other agencies: and,

2) projects which the bureaus feel are too policy-sensitive to have other agencies share in the control which their funding participation would require.

Consultation Travel, $158,000. These funds are requested for analyst consultation travel. Overseas travel is essential for the professional effectiveness of INR's analysts. Consultations with host country government officials and Embassy officers provide irreplaceable first-hand knowledge, a sense of local dynamics that often escapes message traffic, and keeps an analyst's work realistic and policy-relevant. Analysts, on the average, would be scheduled for one trip every three years. This goal is consistent with the travel opportunities available to comparable analysts throughout the intelligence community.

Office of Analysis for Western Europe, Analyst and $3,000. The Bureau needs a new analyst position to concentrate on Greece and Cyprus, and complement the analyst dedicated to Turkey. The leftward direction of Greece under the Papandreou government has underlined the importance of Greece to NATO and American interests. This is happening at a time when policy interest in Turkey is also high. The question of democracy's future in Turkey and the new strategic importance of Southeast Asia have made Turkey's traditional NATO role more critical than ever. The Cyprus question remains unsolved, making coverage of political developments on that island significant for relations between the two countries. One analyst now covering all three countries is unable to meet the current analytical demands of policymakers, and we expect these demands to grow. Also, background training on Turkey and Greece is quite different.

Office of Long-Range Assessments and Research, Analyst and $3,000. A senior, experienced officer is required to take responsibility for initiating and producing on a continuing basis longer term assessments on the Middle East, an area not now covered by this office. Coordinating closely with the Office of Analysis for Near East and South Asia and other current analysis offices in the Bureau, the officer will select topics of study, plan work schedules, and produce assessments either through individual effort or as a team leader involving other analysts, contract personnel or consultants. Most assessments will be self-initiated in anticipation of policy formulation needs, but the incumbent will also respond to requests for particular assessments from policy officials concerned with political-military affairs.

Office of Economic Analysis, Political/Economic Analyst and $3,000. A second analyst position is requested to help cover the eight communist countries in Eastern Europe. All these countries face internal economic, balance-of-payment, and financial problems, which affect their relations with the Soviet Union and the West. The addition of another analyst is required to ensure adequate coverage and maintain a lead on policy analysis in advance of critical events.

Office of Global Issues, Analyst and $3,000. This analyst will complement the existing analyst who specializes in the technological aspects of non-military science and technology affairs. The new analyst will concentrate on the economic effects of S&T developments e.g. the impact of robotics in developed countries on employment in developed and less developed countries; or the impact of biotechnology advances on medicine and agriculture; or the foreign policy consequences of various U.S. technology transfer policies.

Office of Intelligence Coordination, 5 Overseas Analysts and $9,000. These positions would be allocated to the offices of the Executive Director (two positions), Analysis for Africa, Analysis for Inter-American Republics, and Analysis for East Asia and the Pacific. The Department tries to maintain an approximate 50/50 balance between Foreign Service Officers and Civil Servants in its corps of analysts. The Foreign Service complement provides direct first-hand experience with conditions in the overseas areas. The Civil Servants provide a more research oriented approach to their areas. It is important, given INR's position in the Intelligence Community, that the bureau develop a civil service overseas analyst program. These positions will maintain a cadre of civil servants on a rotational basis, in overseas assignments, concentrating on research in their respective areas of expertise.

Office of Analysis for the Soviet Union and Eastern Europe, Analyst and $3,000. The new analyst would concentrate on the politics of reform of economic management in the Soviet Union. This topic will be a major issue in Soviet politics in coming years. It is increasingly understood in the USSR that some reform is needed, but at the same time there is great concern lest changes jeopardize important prerogatives of the party. The questions pertaining to the scope and pace of economic reform, and debate over the subject could become a key ingredient in the next round of succession politics.

Office of Politico-Military Analysis, Analyst for Middle East Regional Military Matters and $3,000. The office has responsibilities for analysis of politico-military developments in the Middle East, with more than a dozen countries in the area either engaged in hostilities or facing potential conflict. The office has produced frequent analyses for the Secretary and other senior officers of the department. The workload has proved too much for one officer, and more than half of these items have to be drafted by analysts normally assigned to other areas. The coverage of these other areas has suffered as a result, and there is an urgent need for a second Middle East analyst.

Office of Global Issues, Analyst for International Labor Affairs and $3,000. The incumbent would handle both organized labor movements as well as such neglected areas as problems associated with non-organized labor. The Secretary's Special Assistant for International Labor Affairs has tasked the Office of Global Issues with labor analysis. Attention to labor intelligence has been at a very low level for a significant period of time throughout the Intelligence Community.

Office of Analysis for Inter-American Republics, Analyst and $3,000. Central America and the Caribbean will remain areas of high interest and priority for US policymakers in the foreseeable future. The Bureau has provided analytical coverage of the area to date by using its country specialists, to whom questions and themes of a transnational nature have been assigned on an ad hoc basis. While this has resulted in adequate emergency coverage of subjects that cut across country lines, it would be preferable to have an analyst fully devoted to such issues.

Office of Analysis for the Near East and South Asia, Analyst and $3,000. An analyst position is requested to cover the economic and energy matters in the Gulf States. The office has only one analyst to cover all eight states of the Arabian peninsula.

Office of Analysis for East Asia and Pacific, Analyst for Vietnam and Kampuchea and $3,000. This position is essential if the Bureau is to meet adequately the needs of policymakers for information and analysis on these countries. In recent years Indochina has become an area of increasing national security interest for the United States, given the possibility of sharply expanded hostilities and a growing Soviet presence in Southeast Asia and the South Pacific region.

Office of Analysis for Africa, Political-Economic Analyst and $3,000. The incumbent would concentrate on regional and continent-wide political and economic issues. The office covers 48 countries in sub-Saharan Africa, leaving little or no time for projects that are regional or continent-wide. There is an increase in the number of issues that fall into this broader category, including Libyan, Cuban and Soviet actions in the area, and more importantly, the severe economic problems in most African countries. The economic difficulties produce political consequences that are among the most serious and disturbing trends in Africa.

Office of Analysis for East Asia and the Pacific, Chinese Internal Analyst and $3,000. During the next several years Sino-US military relations are likely to become an increasingly important aspect of our bilateral relationship. To provide adequate coverage in this area an experienced officer is needed who would devote full time to analysis of the Chinese military and the evolving Sino-US military relationship.

Office of Analysis for Western Europe, Canadian-Benelux Analyst and $3,000. Growing US policy interest in Canada, reflected by creation of a special Deputy Assistant Secretary in EUR for Canadian Affairs, increases the importance of covering Canadian developments in INR. Moreover, the change in leadership of the two top political parties in Canada creates a new political situation and adds to the workload of the analyst. The difficulties of the Dutch and Belgian governments in keeping to the NATO schedule for deployment of INF weapons have caused intense US policy interest in those two countries. That interest is likely to continue for the foreseeable future, and requires continuous coverage of Dutch and Belgian affairs.

Office of Analysis for Africa, Analyst for Southern Africa and $3,000. This position would allow the shifting of responsibilities to provide more balanced coverage and permit more focused coverage of Mozambique, Angola and inter-related area trends. The addition of this position will be a timely response to the increasing policy interests and activities in the sub-Saharan region.

Office of Analysis for Near East and South Asia, Analyst for Egypt and $3,000. The incumbent would become the office's only full time analyst for Egypt. The position is necessary in view of Egypt's importance to U.S. national interests, both in terms of the Middle East peace process and the expanding U.S./Egyptian bilateral security relationship. Egypt is the principal Arab interlocutor of the U.S. in the region, both politically and militarily. To assist allied Arab nations, the U.S. has deployed AWACS aircraft to Egypt, assembled a considerable naval presence in the Mediterranean Sea, and taken other appropriate measures. This has meant a significant investment of U.S. national resources and acute interest in the security and stability of Egypt at the highest levels of the Department, the National Security Council, and the White House. The quality of our efforts will decline as an inevitable consequence of overtaxing our capability.

Office of Analysis for the Soviet Union and Eastern Europe, Analyst and $3,000. The incumbent would concentrate on the Soviet leadership. Given the major changes in the Soviet leadership structure over the last several years, it is now time to extend the coverage of leadership activities to include more key party and government officials. Because analysis of the Soviet leadership impinges on every aspect of our analysis of the USSR, this position represents a valuable addition to our analytical capability of the Soviet Union.

Office of Politico-Military Analysis, Analyst and $3,000. The incumbent would concentrate on strategic arms control issues. Arms control issues related to Soviet strategic offensive weapon systems have emerged as the primary factor in the new Nuclear and Space Talks (NST) at Geneva. The Bureau has undertaken a major initiative to strengthen its analytical support for the arms control process. Moreover, the expansion of the arms control negotiations into a tripartite forum adds to the complexity of these negotiations. The Bureau requires an analyst capable of dealing with exotic weapon systems and concepts, and is also familiar with the full spectrum of pertinent arms control issues. The incumbent of this position would be responsible for day-to-day tracking of all matters within the purview of the NST/START negotiations. Additional duties would include: backstopping support (providing technical support to policy offices and expert participation within the Intelligence Community); briefing/debriefing of negotiators; participation in negotiations; and analysis of intelligence information pertinent to negotiations.

Reports Coordination and Review Staff, Report Officer and $3,000. This officer will be responsible for assuring that the Bureau's final reports adhere to the highest standards in terms of editorial quality, clearances, formats, distribution controls, and Bureau policy.

Office of Economic Analysis, Econometrician and $3,000. An econometrician is needed in the INR/EC Commodities and Developing Countries Division to apply state-of-the-art quantitative methodologies to analysis of policy questions involving commodity markets and economic development.

Reports Coordination and Review Staff, Evaluation Officer and $3,000. The incumbent would evaluate and try to improve reporting and analysis by overseas missions and collectors. He would contribut to the substance of reporting plans, country director evaluations and humint collection plans. He would be assigned to monitor significant reporting needs and resources, post by post, in each bureau. view of resource needs. The Under Secretary for Political Affairs asked that the Bureau undertake this effort.

Office of The Geographer, Computer Cartographer and $3,000. The Bureau needs a computer cartographer to exploit the many opportunities technological changes have presented. The incumbent will direct a program to automate manyof the functions and programs of the Office of the Geographer. This will improve the responsiveness, accuracy and quality of the support given to briefing analytical studies, and formal publications both internally in the Bureau and throughout the Department.

Office of Politico-Military Analysis, Analyst and $3,000. The incumbent would analyze risks and strategies as the U.S. seeks to engage the Allies in SDI research while protecting SDI-related technologies from diversion to the Soviet Union. This analyst would enable the office to meet these demands more satisfactorily and to resume attention to certain regional nuclear proliferation issues from which resources have had to be diverted to deal with technology transfer. The growing emphasis on stopping the flow of strategic technologies has dramatically increased the workload in this office. The office analyzes and reports on Soviet military technology and technology transfer mechanisms, and participates in several Intelligence Community committees and working groups.

Office of Intelligence Resources, Photo Interpreter Specialist and $3,000. This position will provide additional support to the Bureau's analysts and the Department in identifying, understanding and using the greatly increased volumes and new types of imagery. The technology and capacity of imagery has grown by quantum leaps.

Office of Intelligence Coordination, Active Measure Specialist and $3,000. The incumbent of the requested position would be responsible for review and analysis of the growing volume of intelligence, Foreign Service reporting, and media reports on Soviet "active measures", and for producing reports and briefing material to increase foreign government and general public awareness of Soviet active measures.

Office of Politico-Military Analysis, Research Assistant and $3,000. A reference librarian is needed to organize and track the massive amounts of data on record. The office is required to provide immediate responses on order of battle, arms inventories, weapons characteristics, and arms transfer relating to every country in the world, as well as gross judgements of regional military balances and threats, indications and warning lists, and other politico-military assessments. In addition, the office must maintain data on all strategic, theater, and nuclear forces, nuclear power and proliferation potential, and technological developments and technology transfer records.

Office of Global Issues, Secretary and $3,000. The office has 14 officers supported by one full-time secretary and one part-time secretarial assistant. In order to process the volume of reports produced, a second full-time permanent secretary is required. This position will assure the timely delivery of reports and relieve officers of clerical functions.

Office of Analysis for East Asia and the Pacific, Secretary and $3,000. The incumbent would provide secretarial and administrative support to analysts in the Office of Current Intelligence. These analysts of are physically separated from the rest of the EAP office.

African Affairs, 36 Positions and $997,000

Political, 18 Positions and $460,000

Office of Southern African Affairs, Desk Officer and $12,000. The policy course of constructive engagement that the United States has pursued toward South Africa since 1981 has involved a much broader range of activities, and more intensive programs between the two countries, than has existed at any previous time. These programs have led to intensified public and Congressional scrutiny, which is unlikely to be reduced in the foreseeable future. The South African desk, consisting of two officers, alone accounts for 50% of all Congressional correspondence prepared by the whole bureau, 70% of the press guidance prepared for the Department's Spokesman, and 80% of the public mail received in AF. An additional officer position is needed to deal with the quantum increase in activities and provide prompt responses to all inquiries.

Antananarivo, Madagascar, Political Officer and $62,000. Currently the Malagasy government is slowly shifting orientation and priorities, adequate political coverage requires more contacts, spot reports and in-depth analysis than current reporters have time to develop. Given the emerging AID program, an additional political officer is needed to provide in-depth analyses and reports of political life in the interior where AID development efforts will be launched.

Libreville, Gabon, Political/Economic Officer $27,000. While officially assigned to Libreville, the additional officer requested would be resident on the island of Sao Tome, for which Embassy Libreville is responsible. The officer would be focal point of all U.S. Government contacts with the government of Sao Tome and Principle and would do political reporting and some economic reporting on Sao Tome. Also, the officer would report any data on Angola which became available and coordinate the U.S. AID program on Sao Tome.

Maputo, Mozambique, Political Officer and $54,000. There exists an overwhelming need to expand at all levels our awareness and understanding of Mozambique's extremely complicated internal dynamics, particularly during these coming years as we successfully endeavor to encourage the government's break from the total dominance of the USSR and its allies. A policital officer is needed to provide full attention to the developing situation, particularly the growing guerrilla movement which threatens the current regime.

Dar es Salaam, Tanzania, Political Officer and $25,000. A second Political Officer is needed to expand the section's coverage of domestic political trends and developments. This officer would concentrate on: Tanzania's diverse regional areas; establishing direct lines of communications with regional party and government officials; implementation of national policies on the regional and local level; political and economic trends and developments on Zanzibar; major party, government, parliamentary and regional/international meetings which are frequently held in Dodoma, Arusha, and Zanzibar; and labor, youth, and student activities. This additional Political Officer will enable the post to cover political developments outisde of Dar es Salaam.

Pretoria, South Africa, Political Officers (2) and $54,000. The first additional political officer is needed to improve our coverage of internal political developments and trends in South Africa, specifically political issues concerning the white population. Currently, only one political officer is assigned to cover this issue and political events in Namibia. However, the heightened demands for coverage of government steps toward reform and expanded workload of reporting on the three chambers of parliament make this task a full-time job. The second additional political officer is needed to improve our coverage of regional negotiations and the intense activity in South Africa's foreign policy toward its African neighbors. As the U.S. encourages Pretoria to engage more actively in negotiating efforts to resolve differences with its neighbors, our ability to remain informed of South Africa's efforts is critical.

Yaounde, Cameroon, Political/Economic Officer and $39,000. A political/economic officer is needed to improve political/economic reporting in the Cameroons. The two officers presently in the Political section must devote most of their time to spot reporting and demarches. They have little time to travel and therefore cannot report on political trends and currents outside Yaounde, especially in the north where there is potential Muslim dissatisfaction and Libyan activity. The Department has needed significantly more political reporting from the post, both in terms of regional political dynamics and in other areas that emerged after the 1984 coup attempt.

Enugu, Nigeria, Principal Officer and $34,000. Eastern Nigeria, with a population of 35 million, plays a pivotal role in Nigerian politics. The area is politically sensitive as it is the heart of the Ibo ethnic region of the country. About 90% of the country's foreign exchange earnings come from the eastern Nigeria petroleum reserves. Some 25 American companies in the oil and oil service industries are based in the Enugu district, which is indicative of the trade opportunities existing in the area. A Principal Officer is required to carry out essential political and economic reporting, provide normal representation and furnish overall guidance for the post.

Office of East African Affairs, Political Officer and $8,000. An additional desk officer is needed to cover the Sudan. The one officer currently covering the Sudan has been able to deal with the extensive workload only with the assistance from the Deputy Director and the Director. As the largest recipient of U.S. economic and military assistance in Sub-Saharan Africa and as a country where the U.S. has important interests, Sudan has for some time been an unusually active country from a desk officer's perspective. A worsening economic crisis and civil strife have intensified the work and over the past year a massive drought/famine/refugee emergency has effectively increased the workload to the point that it is more than a two-person job. With the overthrow of President Nimeiri in April and the prospect of a much more complex political environment, an additional desk officer for the Sudan is essential if the Department is to meet the increasing demands brought about by developments in the Sudan.

Djibouti, Djibouti, Political Secretary (American) $53,000. Djibouti is a one secretary high workload post. The sole secretary also serves as back-up communicator. If either the secretary or communicator is away from post, AF/EX must send a rover so that the post can continue to operate. By adding one secretary, with back-up communications training, the workload of the two staff members in Djibouti will return to a normal work level. In addition, with the additional secretary on board, dependence on AF/EX rovers could be cut to a minimum.

Johannesburg, South Africa, Political Secretary (American) and $21,000. An additional secretary is needed to provide adequate support to the eight political and regional labor officers at post. Currently there is only one American secretary available to handle all of the classified material outside of the executive section and, as such, competition for the scarce time of the secretary is intense. The new position would alleviate the workload on the current secretary and help to ensure that important support tasks are carried out. Because of the importance of reporting from South Africa in the political and labor areas, the assignment of an additional secretary is essential.

Dar es Salaam, Tanzania, Translator (FSN) and $12,000. Kiswahili is the official language of Tanzania, yet the Embassy has only one language designated position. The vast majority of governmental addresses, directives, legislation, reports and policy papers are prepared in Kiswahili only. Coverage of national, regional and local events is generally much more extensive and accurate in the Kiswahili media than in English language publications. The Embassy needs a full-time employee to translate and interpret in order to overcome operational and substantive reporting obstacles caused by an in-house lack of broad Kiswahili language capability.

Lagos, Nigeria, Political Assistant (FSN) and $18,000. Given increasing US interest in Nigeria, the political section requires an FSN position to monitor the Nigerian press, and clip and file clippings; maintain unclassified, biographic files; assist in arranging appointments; draft memoranda; conduct orientation tours for visitors; and maintain working level contacts in the Ministry of External Affairs and other Nigerian government agencies. The assistant will be a source for background information on Nigeria and contribute to the continuity of political section reporting.

Cotonou, Benin, Political Assistant (FSN) and $13,000. A FSN political assistant is needed to: obtain information from published sources and personal contacts to prepare reports on political trends and developments; review daily press in order to select items of importance translations; and prepare biographic reports on host country travelers and political figures. The Chief of Mission is presently the only one with substantive reporting responsibilities. The improvement in bilateral relations has generated greater access to officials at all levels of government as well as increased demands by Washington end-users for reporting on political trends and developments. This political assistant would free the Chief of Mission to concentrate on more analytical reporting and other priority responsiblities.

Djibouti, Djibouti, Political Assistant/Translator (FSN) and 26,000. A FSN political assistant is needed to translate matters of political importance to English from French, Arabic, and regional languages from local media and speeches; interpret for embassy officers; follow the local political scene and brief embassy officers on current developments; and assist in embassy contacts with local authorities. At present there is no one functioning in this position and the mission has to depend on other FSNs to assist on an intermittent basis.

Economic, 10 Positions and $300,000

Kampala, Uganda, Economic Officer and $46,000. Assuming continuation of strong economic recovery in Uganda, Embassy will need a full-time economic officer in 1986. Primary responsibilities would be to cover economics of foreign exchange earning cash crops, mainly coffee, and implementation of the country's economic recovery plan. These areas require in-depth study to obtain a more precise idea of the amount and type of foreign assistance Uganda can absorb as well as to gain a more mature perspective on the amount and role of corruption, particularly the threat it poses to siphon-off funds from US bilateral and multi-lateral assistance.

Monrovia, Liberia, Economic Officer and $27,000. Liberia hosts the largest concentration of U.S. Government assets in Africa. Failure to implement an effective private sector strategy will prolong the need for long-term US economic assistance. The climate for private sector policies actively promote increased US investment in Liberia. The Embassy's two person economic section is already more than fully occupied with other economic/financial matters. An additional economic/commercial officer is needed to : a) advise and work closely with the Government of Liberia (GOL) on its investment code and investment incentives; b) provide a full range of services for an active program of trade missions, investment seminars, and vital follow-up activities; c) facilitate negotiations between US and Liberian firms, including proper coordination within the GOL; and d) coordinate with the GOL in the key maritime and aviation sectors.

Kinshasa, Zaire, Economic Officer and $28,000. Zaire is a country of key U.S. strategic interest in Africa because of its size, central location and its potential for becoming a major power in the area. Because of the greater importance of economic issues in our policy toward Zaire, an additional Economic/Commercial Officer is needed to perform major functions which the Economic Section can now only partially and sporadically accomplish. This officer would provide detailed and vital analysis and reporting on Zairian planning efforts, petroleum exploitation and distribution (including activities of and representation for U.S. firms), the electric energy sector, the inland transportation system, and investment climate and projection of U.S. investments in Zaire.

Accra, Ghana, Economic Officer and $23,000. An Economic Officer is needed to provide timely reporting on Ghana's economy, focusing on economic trends and responses to the International Monetary Fund-sponsored reforms, and assist the growing number of American businessmen and bankers attracted to Ghana by its economic recovery. The Embassy reduced its Political and Economic Officers from 4 positions to 2 in 1982 because of the near-break in bilateral relations, security risks for Americans and the virtual collapse of the Ghanaian economy. Since late 1983, relations have returned to normal, security has improved, and Ghana has been strictly implementing one of the toughest International Monetary Fund programs anywhere in the world. Given these developments, an additional economic officer is needed to ensure adequate coverage of this key country.

Johannesburg, South Africa, Economic Officer and $25,000. An Economic Officer at this post is required to cover critical economic developments in Johannesburg, the economic and commercial capital of South African economy. The key economic reporting responsibilities for this post are currently covered by the economic section of the Embassy in Pretoria, with help as available from four of the consulate's American Officers. This Economic

Officer would maintain close contact with the leading businesses, institutions and banks in Johannesburg on a regular basis in order to prepare sectoral reports and forecasts dealing with banking, insurance, industrial sectors, especially key foreign exchange earners gold and diamonds (headquartered in Johannesburg), and the Johannesburg stock exchange. The economic officer in Pretoria and the four officers at this post cannot carry out these duties other than on an ad hoc basis.

Gaborone, Botswana, Economic/Commercial Officer and $24,000. A second officer is needed to provide adequate coverage of economic and commercial developments in Botswana. At this time, a Political/Economic officer performs the economic /commercial function on a part-time basis. The second officer is needed to devote full-time attention to critical economic issues such as the important mineral sector, Botswana's economic relationships with South Africa, and opportunites in Botswana's private sector.

Maputo, Mozambique, Economic Officer and $43,000. An additional officer is needed to provide economic reporting and analysis on a full-time basis. Currently, one officer at post is performing all economic, commercial and consular functions. There is a significant need for top-quality macro-economic analysis in Mozambique because of: the government's major economic shift toward the West; participation in the international trade and payments system; and, implementation of an economic assistance program. This new officer would report on economic developments in depth and develop contacts with host government and international financial officials.

Pretoria, South Africa, Economic Secretary and $22,000. An additional secretary is needed to provide adequate secretarial support to the economic section, the science officer and officers dealing with development programs. At this time one secretary provides secretarial support for these six officers. This second secretary is essential to the effective and efficient operation of the economic section given the increasing demands for economic reporting and analysis.

Abidjan, Ivory Coast, Economic Secretary and $44,000. A secretary is needed to provide adequate clerical support to the combined political and economic sections. Currently, the economic officers are supported by one secretary and the political section by a PIT employee. The requested position would serve as secretary to the Political Officer and other officers in the combined Political/Economic section, and as requeired, to the Commercial Attache, and the Deputy Treasury Representative. The four officer complement in the economic area fully occupies the time of its current FS secretary.

Lagos, Nigeria, Economic Assistant (FSN) and $18,000. An economic assistant is needed to help in gathering, collating and analyzing data for the Economic Section, thereby facilitating the economic officers' analyses and reporting on the complex Nigerian economy. The assistant will draft routine cables, reports and papers on a wide variety of economic matters, such as housing, industries and transportation. Also, the assistant will maintain contact with a host of Ministries, agencies, banks, companies, regional organizations and other institutions; provide the principal liaison with State government offices; procure and distribute publications coming into the section; maintain the economic library; and establish and maintain the section's contact list.

Executive Direction, 8 Positions and $214,000

Antananarivo, Madagascar, Executive Secretary (American) $21,000. The sole American secretary at this post must work with the Ambassador in addition to preparing all the classified typing and filing for all of the sections of the Embassy. Because quality bilingual FSN clerical assistance is in chronically short supply and the quality always inordinately poor, this lone secretary is called upon also to do much of the unclassified clerical work for her American colleagues. An additional secretary is needed to share this workload.

Nouakchott, Mauritania, Executive Secretary (American) $20,000. The Embassy in Nouakchott, located in one of the most difficult and isolated posts in the world, has been plagued with a chronic shortage of American secretarial staff. At present, there is only one secretary in the Embassy, assigned to the Ambassador. She is responsible for all classified typing for the entire Embassy and the management of the front office. At this hardship post the secretary must work without the assistance of sophisticated office machines or good telephone services. Since the arrival of a resident Ambassador, the demands on the single front office secretary have increased dramatically, as the Embassy for the first time in years has had to cope with the protocol and social requirements of an Ambassador. One secretary, particularly in such a difficult environment as Nouakchott's, simply cannot cope with the additional workload generated by two active Embassy executives; a second American secretary is absolutely essential.

Maputo, Mozambique, Executive Secretary (American) $18,000. Embassy Maputo has once again begun to operate as a fully functional mission after a long hiatus. In a country where trained personnel are a rare commodity, this situation places an extremely heavy burden on American personnel, particularly in dealing with classified information where we anticipate an increase of approximately 150 percent. It becomes imperative that a second American secretary be assigned to Maputo given the workload associated with the new status of Embassy Maputo, the developing bilateral relationship and the expansion of the Embassy's responsibilities formerly covered by other U.S. Government agencies.

Brazzaville, Congo, DCM's Secretary (American) and $43,000. A new DCM secretary would permit the Ambassador's secretary to concentrate on the immediate needs of the Ambassador in pursuit of Mission goals. The DCM secretary's functions would be more distinguishable from those of the Ambassador's secretary and would make it easier on other officers in requesting secretarial services. It would also permit the DCM's work to leave the front office at a faster rate. Furthermore, this new position would allow other officers -- chiefs of section -- to use reporting time more efficiently by drafting and dictating reports rather than having to type and retype drafts themselves.

Freetown, Sierra Leone, DCM's Secretary (American) and $44,000. Current workload has already increased to the point where the services of a second full-time, American secretary is essential. An additional Economic/Commercial officer has increased the secretarial workload. The prospect of political disruption further increases the post's reporting program and makes additional full-time secretarial support essential.

Lilongwe, Malawi, DCM's Secretary (American) and $17,000. The current one secretary arrangement has proved unsatisfactory, in that workload for classified materials routinely exceeds the level that can be performed by one full time and one part time secretary. Additionally, the post has frequently had difficulty finding a qualified candidate for the part-time position, resulting in gaps. This leaves the Embassy with only one secretary with a security clearance, resulting in inadequate secretarial support capability, and no back-up in the event of illness, absence, or leave of the employee. The lack of adequate support is likely to be felt as the U.S. Mission in Malawi expands its scope of activities.

N'Djamena, Chad, DCM's Secretary (American) and $38,000. The Ambassador's secretary is already committed to doing the work of one and one-half persons. With the arrival of a DCM, the workload increase will be too much for a single secretarial position. One secretary is inadequate to support the Ambassador, DCM, Political and Economic Officers, plus providing occasional support to the post security officer.

Dar es Salaam, Tanzania, DCM's Secretary (American) and $20,000. An additional secretary is needed in order to provide adequate secretarial support at this post. At this time, a PIT employee provides limited support to the DCM with additional assistance from the political section's secretary. Because of fewer employees at post with dependents who seek PIT employment, obtaining the necessary·support by this method has become unmanageable. This new secretary would provide the required coverage for the exectuive section, thereby enabling the political section to deal with its expanding workload.

Mbabane, Swaziland, DCM's Secretary (American) and $16,000. As the second American secretary at post, this secretary would support the DCM, Political/Economic officer and the consular section. In addition, this secretary would do classified work for the administrative section. With the increase in substantive reporting and other related activities, the Ambassador's secretary cannot continue to handle the volume of work in a timely and efficient manner.

Ouagadougou, Burkina-Faso, Secretary/Receptionist/Translator (FSN) and $2,000. A FSN secretary is needed to provide bilingual assistance in typing diplomatic notes, letters and other unclassified correspondence in French for all officers in the executive and political sections. In addition, the secretary would serve as a receptionist. These functions are currently being provided by a part-time contract employee; however, the post has difficulty with this arrangement.

Near Eastern and South Asian Affairs, 18 Positions and $230,000

Political, 11 Positions and $122,000

Calcutta, India, Political Officer and $5,000. Calcutta is of tremendous political significance because activities in the city and surrounding Bengal State play a unique role in Indian politics and culture. At present the post has only limited capacity to meet demands for reporting and analysis on political and economic activities. An additional officer will add depth to reporting on developments in the turbulent Northeast Region, the activities of the Government in Bengal, and the myriad other political activities in this region.

Colombo, Sri Lanka, Political Officer and $35,000. At present the Embassy in Sri Lanka covers the Maldives with a local consular agent in Male providing services as needed. Because of U.S. Government interests in furthering bilateral relations and gaining access to the Maldives port facilities for the U.S. Navy, an additional political officer in Colombo is requested to enhance the present coverage afforded this key principality.

Colombo, Sri Lanka, Political Secretary (American), $15,000. Up to the present time, the political section has relied heavily upon the services of the Deputy Chief of Mission's Secretary for classified work in the section. However, in conjunction with presidential elections, civil tensions, and issues of regional concern, additional emphasis has been placed on post reporting in the political sphere. The political section's workload now justifies a full-time, dedicated position to provide classified typing, filing and secretarial support services.

Islamabad, Pakistan, Political Secretary (American) and $15,000. The issues in which the section is involved have been increasing both in number and in scope as Pakistan-U.S. relations have developed. The number of officers in the political section has increased. A reporting and analysis officer was added to the political section in 1983 and a political-military officer arrived in mid-1984. As the requirement for additional support can no longer be considered part-time or temporary in nature, the political section requires an additional Foreign Service secretary to meet the growing demands of this office.

Dubai, United Arab Emirates, Political Secretary (American) and $1,000. The upgrading of the present Branch Office in Dubai to be a Consulate General, together with increased reporting requirements on both UAE and Iran matters, will necessitate improved secretarial capabilities. At present there is no secretarial position dedicated to Dubai.

Baghdad, Iraq, Political Assistant (FSN) and $14,000. As a result of improving relations between US and Iraq, the political workload of the mission has greatly increased. New opportunities exist for reporting on this very closed and secretive society as the frequency of contacts with Iraqi officials grows. This leaves little time for the Deputy Principal Officer/Political Officer to devote to media analysis and other openly available sources of information on the country. Time constraints also prevent current local staffers from maintaining biographical lists and undertaking research projects on open source material necessary for analyzing the current political scene.

Manama, Bahrain, Political Military Assistant (FSN) and $17,000. Current political military responsibilities involve a substantial amount of unclassified support functions which should be performed by a full-time Foreign National assistant. With the prospect of military sales to the Government, there will be follow-up training, maintenance arrangements, spare parts orders, etc. which will have a major impact. In this connection, a great volume of highly technical English/Arabic translating will be necessary. Based on projected workloads, establishment of the pol/mil assistant position will be necessary in FY-86.

Islamabad, Pakistan, Translator (FSN) and $6,000. Although the political section has two permanent FSN positions, neither incumbent has time for translation work. Without a qualified translator on the staff, it is difficult for the Embassy to keep up with opinion being expressed in the local Urdu language newspapers and journals. To enhance this function, an additional FSN position is required.

Calcutta, India, Political Clerk/Secretary (FSN) and $5,000. As the political, economic and commercial work of the post has steadily increased over the last two years, the current staffing level is inadequate for keeping up with the emergence of complicated political issues in the various states and territories of the Eastern region. This additional position would enable the Consulate to meet the operational requirements and reporting deadlines of the Political Section. The incumbent will type correspondence as needed, clip newspaper and periodicals and translate pertinent portions from local language to English and do statistical work connected with elections at all levels.

Dhaka, Bangladesh, Political Specialist (FSN) and $9,000. This position is required to: maintain a wide range of political and labor contacts; provide eyewitness reports of major political events; accompany officers on field trips; act as simultaneous interpreter; assist in translating Bengali language materials; and, draft unclassified political reports independently. At present, the Embassy has no one performing such a function.

Muscat, Oman, Translator (FSN), contract conversion, no funds requested. This position is needed: to translate diplomatic notes and other official correspondence from Arabic to English and vice versa; to read and summarize newspaper articles, translating when requested; and, to act as interpreter when needed. The Embassy currently has a contract translator. Although several FSNs speak both Arabic and English very well, they do not possess the necessary command of the two languages to do the polished translations which are necessary for diplomatic correspondence. The Omani ministries will accept correspondence, including requests for appointments, only in Arabic. The requirement that correspondence be submitted in Arabic was instituted in January 1984.

Economic, 6 Positions and $83,000

Tel Aviv, Israel, Economic Officer and $6,000. The economic section currently has three economic officers with support from the science attache. Israel's economic situation seems to be constantly on the verge of crisis, requiring the economic section to produce full and timely reporting on fluxes within the economy, analysis of economic proposals under consideration and insightful commentary. This reporting and analysis responsibility in addition to the administrative requirements of the section are just too much for the existing staff to handle. Major responsibilities include: 1)analyzing and evaluating the U.S. Government's special assistance program to Israel, currently a two billion plus program; 2)monitoring numerous projects in the occupied territories; and 3)preparing research for free trade negotiations and Israeli activities used to promote exports. The additional position will be required to work primarily on trade and related issues such as export administration, as well as give depth to perform timely reporting.

Algiers, Algeria, Economic Officer and $15,000. This would be the only full time economic reporting position in the political/economic section at the Embassy. There are two other economic positions but, given other responsibilities, neither is completely dedicated to economic reporting. The Government of Algeria is attempting to change economic directions, increase agricultural and mineral production and encourage a private sector, but the Embassy will be unable to provide other than superficial domestic economic reporting unless an additional position is provided for reporting on all domestic economic and social issues.

Sanaa, Yemen Arab Republic, Economic Officer and $14,000. The recent discovery of significant oil reserves in North Yemen has generated increasing commercial and economic activity which requires additional reporting. There should be coverage of oil production sites and major commercial centers in Marib, Hoedidah, Saada and Taiz. If this position is not authorized, substantive reporting on political, economic and commercial activities will inevitably suffer and there will be little opportunity for officers to develop a full understanding of this rapidly changing country.

Manama, Bahrain, Economic Secretary (American) and $4,000. Manama is the Gulf's natural commercial center and expanding in that role almost daily. As the island's limited petroleum resources become less important, other factors such as banking, industry, commerce, communications and services are gaining as the bases of the economy. An Economic Secretary is needed to support this increased reporting and activity in the economic section.

Algiers, Algeria, Economic Assistant (FSN) and $17,000. In 1983 Algeria decentralized its economic decision-making from the capital to some fifteen regions throughout the country. Given the present level of its personnel resources, the Embassy has found it increasingly difficult to keep pace with the volume of accurate reporting needed to cover critical economic issues in this fast developing economy. The Algerian government's emphasis on its continuing Arabization program requires that the Embassy have personnel with the ability to read, translate and analyze important documents of economic and commercial interest written in Arabic. The Embassy can best fulfill these needs by rounding out the economic section with a foreign service national employee to serve as an economic assistant.

Dhahran, Saudi Arabia, Economic Assistant and $27,000. The economic/political section of the mission in Dhahran has no FSN to assist its four American officers. The lack of an Arabic speaking FSN has impacted upon the section's ability to gather and analyze important information related to industry in Saudi Arabia and, to some extent, political activities in the key Eastern province.

Executive Direction, 1 Position and $25,000

Baghdad, Iraq, Executive Secretary (American) and $25,000. Given the increase in the volume of reporting due to vital U.S. interests at stake in this strategic area, an additional secretary is necessary to meet post reporting and analysis requirements. At the present time, the ratio of officers to secretaries is highly unfavorable in view of the high level of attention accorded to the Iran/Iraq War and the political and economic implications of the War.

East Asian and Pacific Affairs, 36 Positions and $840,000

Political, 19 Positions and $496,000

Cebu, Philippines, Political/Economic Officer and $11,000. One of the two officers currently staffing Consulate Cebu is fully utilized in routine consular and administrative tasks. This leaves the senior officer's official plate full with a heavy travel schedule in a large consular district as well as resolving consular problems and reporting and analyzing local and political events. An additional officer is needed to share some of the consular load and to perform political/economic analysis, report drafting, interviewing, and district travel.

Office of Japanese Affairs, Political Officer and $9,000. Japan's growing international political role has required that more attention be devoted to Japanese foreign policies and to US-Japan consultations on international political issues. Japan is playing a more active role not only in Asia, but also in the Middle East and elsewhere. In addition, Japanese foreign assistance is growing; Japan will soon be the second largest donor of official development assistance, and the US and Japan are coordinating closely on foreign aid questions. The establishment of a new position in EAP/J will allow us to better implement the policy of "international partnership" that such activity portends.

London, England, Political/Economic Officer (European-based) and $24,000. Most major European cities have scores of Asia-oriented journalists, trade association officers and foundation directors yet these sources are only minimally tapped for their opinions and insights. To address this problem a position will be established in London. A similar position in Paris has provided valuable reporting and analysis material for many years. To provide further European insights into Asian matters, a position in London will be established to analyze and report on the attitudes of our key European allies.

Rangoon, Burma, Political Officer and $22,000. Embassy Rangoon's only Burmese-speaking political officer is obliged to devote most of his time to administering our large anti-narcotics program leaving little opportunity for political contact work and reporting. Addition of a second political officer would enable the Embassy to substantially expand its coverage of domestic political developments and the narcotics situation. The position would enable the Embassy to sharply increase its general substantive reporting, focused on leadership and policy shifts relevant to US interests, trade and investment promotion, and to encourage a more pro-western outlook among Burmese leaders.

Beijing, China, Political/Military Officer and $12,000. Assuring that the U.S. strategic relationship with China grows constructively and does not build up unrealistic expectations on the part of the Chinese Government and armed forces requires a State officer to monitor Chinese perceptions. Political/Military reporting has doubled in the past two years. Experience to date strongly indicates that skilled assistance in Beijing is needed to assure that commercial and military considerations are co-ordinated with our overall policy stance vis-a-vis the PRC.

Shenyang, China, Political Officer and $11,000. Shenyang was opened in 1983 with a cadre of three State officers and two support personnel. In 1984, this important listening post in Manchuria was put in full operation; assignment of a political officer in 1987 will be an overdue capitalization on U.S. investment in opening the post.

Port Moresby, Papua New Guinea, Political Officer and $33,000. Embassy Port Moresby manages U.S. relations with Papua New Guinea, the Solomon Islands and Vanuatu, all UN members, and tracks political evolution in France's territory of New Caledonia. Port Moresby's staffing pattern is essentially unchanged since the post was established in 1975. Though there is a strong reservoir of good will toward the U.S. in the area, the Soviets and their allies are newly active. Recent moves by South Pacific nations to refuse USN port calls point up the need for a stronger political reporting effort. A tunaboat seizure by the PNG last year underscores the need for closer liaison on fishing issues with area governments. Reinforcement of Port Moresby staffing could substantially improve U.S. understanding of and influence on these Melanesian states.

Sydney, Australia, Political Office, and $44,000. The consular districts of Melbourne/Sydney embrace about 80 percent of Australia's population. Heightened anti-nuclear sentiment in the area threatens U.S. defense facilities vital to strategic early warning and arms control verification. Enhanced reporting is essential from this political, trade union, media and economic center of continent in wake of the New Zealand ban on U.S. warships. In addition, increased reporting on the leaders of ruling Labor Party which operate out of Sydney is needed.

Kuala Lumpur, Malaysia, Political Officer and $49,000. The increasing emphasis on Malaysian external relations, the growing number of official and commercial visitors, and the growing volume of current reporting threaten to make the staff more desk-bound and reduce time for in-depth analytical reporting. A junior officer would provide more utility for the section and improve ability to meet domestic and up-country reporting requirements.

Singapore, Singapore, Political Officer and $48,000. Expanding workload of the post warrants serious consideration of a second political slot. Assistance is needed to provide coverage of Singapore's foreign relations, ASEAN political affairs, and the nascent domestic opposition movement; to enhance contacts with the Singaporean intellectual and academic community; and to provide support for increasing numbers of Congressional delegation travel and other high ranking visitors.

Office of Pacific Island Affairs, Political Officer and $9,000. The major characteristic of the Office of Pacific Island Affairs is the very broad range of responsibility covering nine independent countries, a greater number of dependencies, two regional organizations, and assorted special meetings. This office also deals with matters involving US territories in the Pacific and plays a coordinating role in Trust Territory matters. The office has only three officers. Given the emphasis placed by the USG on Pacific Island matters and the need to counter Soviet interests, an additional officer will be needed to deal with the increased workload.

Hong Kong, Hong Kong, Political Secretary (American) and $2,000. Over the past year, the political section's five officers have been supported by one regular secretary. Even so, as the workload has mounted, it has been necessary to farm out upwards of 30 percent of the section's typing to Hong Kong's economic section and executive office, a "solution" that cannot persist in view of similarly burgeoning workload in these offices.

Manila, Philippines, Political Secretary (American) and $12,000. Two American secretaries in the political section presently support six American political officers. One secretary is fully engaged in direct support of the Political Counselor and his Deputy. The remaining secretary is fully occupied in support of four officers with all their correspondence and office activity. The near future addition of a senior political FSN, the expected addition in FY 86 of another Political Officer and the increasing frequency, importance, and urgency of local political events requiring comprehensive, immediate reporting are expected to increase overall secretarial workload by 70 percent.

Tokyo, Japan, Political-Military Secretary (American) and $25,000. Current use of part-time secretarial support is wholly inadequate to cope with the increased reporting and coordination that has been generated in the last two years by a rapidly expanding US-Japan defense relationship, a much larger US military presence in and around Japan, and the intensification of Japan's internal defense debate. A full-time secretarial position for the Pol/Mil section is needed urgently.

Canberra, Australia, Political Secretary (American) and $22,000. Due to recent experience with gaps in secretarial staffing and the increase in workload, an American secretary position is urgently needed to maintain reasonable secretarial support in the Political Section. An increase in the number and level of visits to Canberra has been evidenced over the past year by numerous delegations, visits by senior military officers, and other high-level visitors. Increases in our substantive reporting requirements and increases in the demands placed upon the section by the Department have compounded the workload placed upon the Political Section thus creating the necessity for additional secretarial support.

Rangoon, Burma, Political/Economic Secretary (American) and $[illegible],000. Currently, there is one American Secretary supporting nine officers in the Pol/Econ, Consular, and Administrative Sections. The ratio of officers to secretary will be 10:1 with the expected addition of a new political officer at post in FY 86. An additional secretarial position is greatly needed.

Kuala Lumpur, Malaysia, Secretary (American) and $49,000. Additional secretarial support beyond current staffing is needed due to the placement of another officer and the associated workload increases. Currently, there are 4 secretaries working in the Executive, Political, Economic, Consular, and Administrative Sections of this sensitive post. The ratio of officers to secretaries is 16 to 4 or 4:1. However, the actual ratio for the staff is 14 Officers to 2 Secretaries, or 7:1, because two of the secretaries work only for the Executive Section. The additional secretary would help to alleviate the heavy workload placed upon the current staff.

Seoul, Korea, Secretary (American) and $50,000. Present staffing in the Political section includes two secretaries for eight officers, each dealing with numerous policy and time sensitive issues. The primary function of the additional secretary assistance to the Chief, Internal Unit and two other internal unit officers, as well as other officers in the section. A PIT secretary has been used by the Political section to deal with the workload. The increased demands placed upon the section to report and analyze the tense political environment highlights the need to ensure the section will be provided with trained secretarial support and backup.

Songkhla, Thailand, Secretary (American) and $43,000. At present, an American PIT has been performing the secretarial and communications functions at this post. A major component of the work involves the preparation of numerous reports on economic and refugee matters. As there is no other State employee to handle classified secretarial and communications work, the Principal Officer has had to handle some secretarial and communications duties to the detriment of his substantive responsibilities. A full-time secretary would be able to provide adequate support to the Principal, thereby enabling him to devote additional time to substantive reporting.

Economic, 13 Positions and $285,000

Bangkok, Thailand, Economic Officer and $44,000. The rapid growth in trade, investment and economic relations with Thailand has been covered by a minimally staffed economic section. Increasing demands for coverage of areas, such as financial issues, energy and raw materials, internal economic trends, urban/rural socio-economic disparities, S&T, and labor, cannot be met by existing staff in 1987 without another economic officer. This additional officer is needed to relieve the current officers' workload so that in-depth and long-range reporting and analytic opportunities may be realized.

Guangzhou, China, Economic Officer and $30,000. The American staff has grown over the past four years to 21 and, as a natural consequence, management activities have become more involved and time-consuming. The economic officer has assumed an increasingly heavy burden of the Deputy Principal Officer's responsibilities while still attempting to report on the growing important economic developments in the district. To assure both an acceptable level of both economic reporting and management at post, an additional economic officer devoted solely to economic reporting is needed: thus freeing the senior economic officer of some of his reporting responsibilities.

Tokyo, Japan, Economic Officer and $48,000. Competing demands for the Economic section's time has precluded adequate coverage of strategic trade and east-west trade issues. An additional economic officer would enable more sharply focused liaison and reporting on: (a) COCOM and high technology leakage; (b) economic relations between Japan and the Soviet Union, China, and other communist countries; (c). coordination with GOJ regarding Polish and Afghanistan economic sanctions, and (d) analysis of the economic aspects of transfer of dual use technology from Japan to the US.

Surabaya, Indonesia, Economic/Commercial Officer and $37,000. Current staffing in the Surabaya district does not allow for extensive or intensive reporting on the economic developments and commercial opportunities that merit US interests. Although the present Administrative officer is responsible for economic reporting, his time is fully occupied in the handling of administrative affairs and little time is available for economic reporting. As the interest in economic opportunities for U.S. businessmen and investors in Indonesia is on the rise, an additional officer devoted to economic reporting is needed.

Kuala Lumpur, Malaysia, Economic Secretary (American) and $25,000. An anticipated increase in the Economic section's substantive staff for FY 86 will cause associated workload increases that will require additional secretarial support beyond current staffing. There is currently one secretary assigned to the Econ Section (five substantive officers) who is also required to support the Consular and Administrative Sections in the preparation of classified messages. The addition of this position would enable this section to continue this support and also accommodate an anticipated new officer.

Wellington, New Zealand, Economic Secretary (American) and $19,000. Three State Department secretaries at this active post support nine State officers and eight from USIS, Commerce, and Agriculture. The post reports that the current three secretaries' primary support requirements to the ambassador, DCM, and political counselor and labor officer, are "more than full time jobs," leaving the economic counselor, administrative officers and consul, plus other-agency personnel, with grossly inadequate support for that portion of their activity dealing with classified information. This secretary will directly support the office of the economic counselor but will additionally support other embassy officers in the classified portion of their work.

Seoul, Korea, Economic Secretary (American) and $31,000. The economic section's workload is increasing with no respite in sight. Conversion of the current part-time employee to regular hire will help overcome the perennial problem of finding a qualified part-time employees.

Office of Thailand and Burma Affairs, Economic Secretary and $5,000. The approval of one additional position recently for EAP/TB means that the office has four officers and one secretary. One secretary has previously had to carry the entire burden of three officers and the office needs another secretary to help with the workload as soon as possible.

Office of Japanese Affairs, Economic Secretary and $5,000. With but two full-time secretaries, EAP/J manages a workload that fully reflects the breadth and depth of our relationship with our most important Asian ally and first-ranking overseas trading partner. These secretaries support six officers who will be joined by two more. Every member of the desk works substantial overtime, managing an immense volume of paperwork. In a recent six-week sample period, fully fifty percent of the taskings levied on the bureau's fourteen offices demanded EAP/J action in some fashion. Addition of a third full-time secretarial position will obviate a need for further part-time employment on the desk, and assure minimally adequate support to the desk's officers.

Office of Korean Affairs, Secretary and $6,000. The present two secretaries for the Office of Korean Affairs are already overburdened with overtime generated by reporting of the many incidents and emergencies that continue to flare up on the Korean peninsula as well as the economic function and the North Korean situation. This additional secretary will alleviate the excessive burden placed upon the current secretarial staff.

Suva, Fiji, Economic/Political Secretary (FSN) and $9,000. The workload of Suva's small commercial affairs office, headed by a local hire American commercial specialist, has doubled in the past two years, and with staff support could expand more rapidly. In addition to freeing up the commercial specialist for more travel, the incumbent would prepare reports from draft, maintain extensive files, draft routine inquiries, manage the post's commercial library and serve as a receptionist for the CINCPAC representative.

Manila, Philippines, Economic Analyst/Statistician (FSN) and $9,000. To respond to demands and dovetail political reporting requirements on the insurgency movement, the post needs to collect available statistics to establish and continuously update an historical base to use for reporting on local economic developments in several key provinces where the insurgency is growing. The FSN staff is fully occupied with the current reporting program and with back stopping the American staff. An additional FSN is needed to systematically collect and input vital economic statistics in a computer data bank.

Tokyo, Japan, Economic Specialist (FSN) and $17,000. The Tokyo's economic section lacks a high technology expert. Language, social customs, and the need for local and historical knowledge require that Japanese officers assist in the pursuit of US economic objectives in Japan. The requested FSN economic specialist would facilitate a more detailed analysis of the latest developments in Japanese technology through the review and summarization of publications on the subject as well as through personal interviews of individuals that make significant contributions in the field. This specialist would invariably gain access to areas that perhaps an American could not venture or be readily accepted.

Science and Technology, 4 Positions and $59,000

Tokyo, Japan, Science Officer and $24,000. Responding to Washington inquiries and requests, plus frequent distractions caused by heavy visitor workload, essentially allows for only limited reporting on substantive developments on Japanese technology. An additional position would allow the office to provide more programmatic reporting on government and industry supported R&D activities, more analytical reporting on significant developments, and more site visits to Japanese institutes and laboratories.

Beijing, China, Science Officer and $12,000. The Embassy's small science section has been overwhelmed by perhaps the most thriving component of US-Sino relations. Currently the 21 protocols include over 250 projects involving formal S&T cooperation. Expected increases in the number of protocols and the number of delegations make staff increases necessary in order to maintain coverage for the cooperation activities and support of the USG delegations. Travel with delegations, who often visit places in China where no other foreigners venture, is undesirably limited because of office overload. Current coverage of nuclear and tech-transfer issues is at the expense of coverage for cooperation activities and other reporting opportunities.

Jakarta, Indonesia, Science Officer and $16,000. Science and technology issues play an increasingly important role in US-Indonesian relations. The USG and the Indonesian Government have signed bilateral agreements for science and technology collaboration and for defense related industrial collaboration. Indonesia looks to the US as a prime source of high technology and technical equipment, thereby enhancing our commercial interests. US firms are potentially important contractors and suppliers for the GOI's program to develop an integrated science center. A Science Attache, with a specialized knowledge in advanced technology, is needed to organize and coordinate numerous related but distinct aspects of our scientific and technical effort in Indonesia.

Jakarta, Indonesia, Science Secretary (FSN) and $7,000. The Science Officer at post carries out a very active reporting and correspondence program at the direction of the Ambassador. With the present staff available, an FSN secretary is needed to provide the general unclassified secretarial support for the workload generated by the Science Officer.

Inter-American Affairs, 32 Positions and $968,000

Political 17 Positions and $612,000

Bridgetown, Barbados, Political Officers (2) and $212,000. The political officer positions would be based in Bridgetown and devoted to reporting and analysis of political and economic events for the island nations of St. Lucia, Dominica and St. Vincent. However, the officers would visit each island for a few days each week, confer with the host government and private officials, establish necessary contacts, and more closely monitor political and economic activities in view of US interests. Being onsite at each island, the officers would provide information and liaison between American and host country businessmen in furtherance of the Caribbean Basin Initiative. The events surrounding the rescue mission in Grenada demonstrate that more political and economic reporting and analysis must be done on the Eastern Caribbean. These fragile nations have been in the center of Cuban activities. Support costs for these positions are high because of the amount of travel involved.

Curacao, Netherlands Antilles, Political/Economic Officer and $30,000. The incumbent would be responsible for political and economic reporting for the Netherlands Antilles and the Country of Aruba (to be established January 1, 1986). The Netherlands Antilles is entering an extremely difficult period. It is splitting into two countries (The Netherlands Antilles and Aruba) on January 1, 1986. This fundamental change is occuring during a period of painful economic adjustment as two pillars of the countries current economic structure (off-shore financing and oil refining) are weakening. Accurate, comprehensive reporting on the rapidly evolving situation is essential to Washington policy makers.

Tegucigalpa, Honduras, Political/Military Officer and $29,000. This officer would coordinate all politico-military activities including military assistance and exercises by advising the ambassador and on political implications of all military assistance activities. Negotiations presently coming to a conclusion with the GOH describe a closer security relationship. This relationship which has evolved since June 1983, now includes a semi-permanent presence of over 1,000 American servicemen at several locations throughout the country. Their duties include the planning and administration of exercise schedules, intelligence collection, and the operation of a radar site. In addition, there are always several training teams under the security assistance program, and other special military projects. These activities attract important visitors from the Congress, the Pentagon, and other agencies, for which the political section usually has full or partial responsibility. The negotiations with the GOH, and the political climate in the Congress, indicate that the present program surrounding a U.S. security presence in Honduras can only grow. The importance of Honduras in the Central-American equation is not going to lessen.

La Paz, Bolivia, Political Officer and $30,000. The officer would follow economic and political developments in the Santa Cruz region, which is the fastest growing and most important economic region in Bolivia. Policy supervision is needed for the growing USG presence in this region. AID, DEA and INM will soon have nearly 10 officers in the area.

Tijuana, Mexico, Political Officer and $29,000. Tijuana is a key commercial, industrial, and political center on the U.S.-Mexican border and given changing conditions in Mexico, there are increasing requirements for political and economic reporting and analysis from this region. Political life on the border is very active, opposition activities are strong and growing. This position is required to address the very strong belief of the Embassy, the Department and the Washington intelligence community that there is insufficient political, economic, and social reporting on developments in the interior of the country.

Ciudad Juarez, Mexico, Political Officer and $30,000. Political life in this important commercial, industrial, and political center is very active; opposition activities are strong and growing. This position is required to address the very strong belief of the Embassy, the Department and the Washington intelligence community that there is insufficient political, economic, and social reporting on developments in this part of Mexico. Additional resources in this area will allow the post to meet these increasing requirements at a time when Mexico's economic crisis continues to receive attention at the highest levels in the Administration.

Office of Central American Affairs, Political Secretary and $3,000. Despite increases in positions ARA/CEN continues to experience demands which exceed the human resources present to meet them. A desk officer typically works more than 60 hours weekly. The International Relations Officer will perform a broad range of responsibilities, handling an excess of 500 asylum cases weekly, substituting for and assisting various officers with frequent overloads, and providing public policy support. Cumulatively, the current workload demands overtime secretarial assistance averaging 120-150 weekly. An additional secretarial position is required to cut back on the excessive overtime the present secretarial staff is called on to perform.

Bridgetown, Barbados, Secretary (American) and $44,000. The incumbent would support the two new Political Officer positions in Bridgetown, Barbados.

Santo Domingo, Dominican Republic, Political Assistant/Typist (FSN) and $28,000. This person will review and translate press articles, collect unclassified biographic information, and provide unclassified typing services to the political and economic sections. the Political Section has had to absorb lengthy gaps because the American secretary is the sole backup for the front office. The new secretary would give the office flexibility to provide secretarial support for the reporting officers.

Antigua, Antigua and Barbuda, Political Assistant (FSN) and $21,000. With increased US interest in the region exhibited by the Caribbean Basin Initiative, Greneda Rescue Mission and presence of two US military installations on Antigua, a more expansive reporting program is necessary. Furthermore the scope of reporting for the post has increased as St. Kitts/Nevis became independent in October, 1983 of and assumed its place in the UN and OAS. Montserrat is also moving toward independence. This assistant would provide and assist in economic and political analysis and establish the necessary contacts and continuity in our relationships with district countries.

Paramaribo, Surinam, Political/Labor Assistant (FSN) and $27,000. Since the military revolution in 1980, the orientation and affiliations of those involved at the policy level of government are constantly changing. Furthermore, strikes by workers at the Suralco bauxite plant spread to smelting facilities and electrical generation facilities. The effect was to bring the country to a standstill. Suriname is a small country with a concentrated population. Among those involved with government, or likely to be involved with it, everyone knows everyone else and not every circle is open to Americans, therefore an FSN could provide information otherwise not obtainable.

Rio de Janeiro, Brazil, Political Assistant (FSN) and $25,000. With the rising countrywide popularity of governor Biizola, political events in the Rio de Janeiro District are now rapidly gaining significant importance, and this person would provide the needed strength of continuity and local knowledge of the political scene. He/She would assist on matters concerning Brazilian law, politically related legislation. legal interpretations and impressions that would fill a void that currently exists. In addition this person would assist in meeting key figures in the military, church, labor, educational and social areas, maintain a wide circle of contacts and cultivate new contacts.

Lima, Peru, Political Assistant (FSN) and $14,000. The Embassy in Peru does not have ready access to legal expertise. This individual will develop and maintain contacts with local politicians and congressional staffers, serve as an element of continuity in the embassy's relations with Peruvian political class, follow the local political situation and prepare reports derived from unclassified sources. Additionally, expertise on the Peruvian constitution, civil laws and legal consultancies are essential.

Bridgetown, Barbados, (3) Political Assistants (FSN) and $90,000. Each Political Assistant will be based on one of three islands under Bridgetown's umbrella (Dominica, St. Lucia, St. Vincent's). They will provide and assist in economic and political analysis, establish the necessary contacts and continuity in our relationships with their country, and make administrative arrangements for the American reporting officer. During the absence of the American officer from the island, the FSN will maintain the office and be available to those needing continuing interaction with the Embassy in Bridgetown. The events preceeding the rescue mission in Grenada demonstrate that more economic and political reporting and analysis must be done in the Eastern Carribbean. The current level of personnel resources devoted to the island republics is not sufficient to track the diverse sets of interests between the United States and these islands or to implement the Caribbean Basin Initiative.

Economic, 15 Positions and $356,000

Paramaribo, Surinam, Economic Officer and $45,000. Given the $1 billion value in US private investment as well as Suriname's importance as supplier of bauxite and down-stream products, Embassy Paramaribo needs a professional economic officer to bolster economic reporting at post. Continuing deterioration in the Surinamese economy necessitates a full-time rather than ad hoc analysis and reporting. The withdrawal of Dutch support and aid has stopped the flow of foreign exchange into Suriname, and has placed the country at the brink of bankruptcy. The political implications of these developments have consumed the time of the mission leaving less time to devote to long-range and analytical economic reporting.

Office of Andean Affairs, Economic Officer and $12,000. Economic problems dominate U.S. relations with Venezuela (Latin America's 4th largest debtor) and Peru (in its worst economic crisis this century). These problems will be the prevailing bilateral questions in the 80's. Colombia's once solid economy is slipping rapidly, and Bolivia appears insolvent. Ecuador, for the moment, is adhering to an IMF designed stabilization program. This means that almost half of ARA/AND's time is and will continue to be devoted to economic issues, without the benefit of having an economic officer devoted full-time to Andean problems. Moreover, the purely economic approach of functional offices often needs to be tempered by an understanding of the geographic imperatives. If any sort of integrated approach is to be devoted to our management of bilateral relations, the absolutely essential economic ingredient in those relations calls for an economic capability resident in the geographic directorates.

Office of Southern Cone Affairs, Economic Officer and $12,000. Economic issues have assumed a determining role in U.S. relations with Argentina, Chile, Uruguay and Paraguay. The primary responsibility of the officer would be to coordinate efforts to manage and alleviate the debt crisis now afflicting Argentina, Chile and Uruguay, all of which are now under IMF supervision and either have or are negotiating stand-by agreements. In addition to macroeconomic and financial responsibilities, the incumbent would be required to manage trade and arms sales issues with Uruguay, Paraguay, Argentina, where an arms embargo was ended December 10, 1983, and Chile, where the arms embargo was modified to permit Munitions Control exports to non-governmental agencies.

Santiago, Chile, Economic Officer and $46,000. Following the cuts in 1980 as a result of sanctions imposed related to the Letelire/Moffitt case, the Embassy reduced its reporting particularly analysis and strategy. The restoration of this position which was cut for political policy reasons unrelated to need or workload, could therefore be justified simply in terms of the normalization of our relations with Chile -- which has already largely occurred. It is doubly necessary in the new, more complex and demanding economic environment.

Mexico City, Mexico, Economic Officer and $45,000. President Reagan agreed to resume negotiations on a bilateral subsides agreement in August 1983. Intensive negotiations have been under way since that time, in which the Embassy economic section has played a central role. This subject is currently the most important economic policy issue in U.S. - Mexican relations and will continue to receive high USG and Mexican attention. In addition, the number of countervailing duty cases on Mexican products has risen greatly -- there are now 13 cases pending and seven countervailing duties have been imposed. Most cases require detailed investigation and a report by the Embassy, as well as a visit to Mexico by a Washington investigative team, involving extensive economic section support. Mexico's economic problems, and their relationship to the country's long-run stability, have stimulated a need for expanded economic reporting from Mexico.

Office of Regional Economic Policy, Economic Officers (2) and $24,000. The first officer would be concerned with major regional economic policy initiatives such as the Caribbean Basin and the Kissinger Commission actions. The implementation and monitoring of these two programs will require considerable resources for the foreseeable future. External debt and trade distorting measures are increasingly serious problems that are also the proper focus for a "regional" office like ECP. Moreover, ECP must continue to follow closely the myriad of "functional" economic issues such as commodities, transportation, telecommunications, energy, commercial investment, food policy and assistance level, if ARA is to have any impact on their resolution by the Economic Bureau and other agencies. The second officer would have primary responsibility for tracking the following regional issues: agricultural trade, private sector investment (promotion, disputes), and tax and legal issues (regarding trade and investment). Additionally back-up support is essential on the following issues: light industry trade (including textiles), and Caribbean Basin Initiative issues i.e. implementation and compliance. This position is the second of three positions projected in the multi-year Reporting and Analysis package.

Lima, Peru, Economic Officer and $29,000. This position is required due to the importance and complexity of developments in the Peruvian minerals and petroleum industry. Major existing U.S. investment (over $2.5 billion) and prospects for additional U.S. projects in both minerals and crude oil production require fulltime attention which is simply impossible for the non-resident attache. Additionally, the FSN responsible for minerals/fuels reporting program who has 27 years experience and innumerable contacts among resources sector, will retire at end of FY 1986.

La Paz, Bolivia, Economic/Commercial Officer and $35,000. A Commercial Attaché who will supervise 3 local employees, manage the commercial library, and handle arrangements for post participation in trade fairs, trade missions, catalog shows, single company presentations and all other trade promotion and commercial intelligence activities is required. In addition to increasing trade opportunity (TOPS) reporting by 43 percent during the past fiscal year, the Commercial Unit increased its trade event promotion activity.

Asuncion, Paraguay, Economic/Commercial Officer and $29,000. The Post's ability to keep abreast of economic development has been greatly reduced after many years of experiencing the regions most rapid rate of economic growth and Paraguay's slumped economy. Included among econ affairs are coverage of civil aviation matters and science and technology. The existing State complement at post is not large enough to permit reprogramming from within. At the same time, efforts to maintain the U.S. commercial presence in the market need to be augmented. Without the position, the post will have to request the Department of Commerce to scale back programming for commercial promotion events.

Buenos Aires, Argentina, Economic Assistant (FSN) and $13,000 The recent history of (least developed countries') LDC debt payment difficulties have created a demand from Washington for enhanced reporting and analysis of economic financial developments in LDC countries which have a significant level of foreign debt. Argentina's recent history of foreign debt crisis and inflation has intensified USG interest in monitoring the Argentine economic situation. Argentina's democratic government has increased the supply of available economic and social statistics which should be compiled to meet this task. This demand for more reporting, together with the increase of American officers in the Economic Section, has more than doubled the need for basic research and statistical assistance.

Georgetown, Guyana, Economic Analyst (FSN) and $15,000. An FSN is required in the Economic section of the Embassy to compile and maintain an extensive range of statistical data in the form of graphs, charts, and tables reflecting long-term trends in such economic indicators as national income, GNP, prices, savings, investment, industrial production, and population growth. This individual will also evaluate the relevance and reliability of data sources, identifies basic trends and indicate possible or probable causative factors, as well as provide background information for visiting officials.

Guatemala, Guatemala, Economic Assistant (FSN) and $10,000. As a result of the growing U.S. interest in Guatemala on such diverse issues as national security interests to wildlife preservation, an additional burden has been placed on the post for reporting. These tasks would be performed efficiently and at much less expense to the U.S. by an FSN who will undertake basic research on projects, and compile and draft reports.

San Jose, Costa Rica, Economic Specialist (FSN) and $15,000. The impact of CBI has increased the information handling requirements of this post to the extent that there is a need for an FSN employee to collect and evaluate data in the public domain. For the past year this post has had a full time contract employee, performing all of these tasks. The post's economic section has been severely strained to respond to the various economic initiatives brought about by the CBI, and managed only with the help of the contract FSN. Given the importance of the post's economic section activities, this request is to regularize the position's status as a direct hire.

Tegucigalpa, Honduras, Economic Specialist (FSN) and $26,000. Due to the increasing U.S. interest and presence in Honduras as well as the growing amount of bilateral initiatives such as the Caribbean Basin Initiative (CBI), the Jackson Plan, Military presence, etc., it is expected that the current workload, particularly reporting responsibilities, will undoubtedly increase. Much of the work performed in the economic section requires time consuming analyses and translations. The amount of this work has grown significantly in the last few years and is expected to continue to increase. The workload of the American officers would become extremely heavy, even above current brisk levels.

European and Canadian Affairs, 27 Positions and $1,050,000

Political, 28 Positions and $827,000

The Hague, The Netherlands, Labor Officer and $17,000. The labor movement in the Netherlands plays a very significant role in determining and articulating Dutch attitudes on everything from social matters to the "peace" issue. It is a core element of the Labor Party with the present Labor Federation President a likely future party chief. This position would serve as the U.S. Government's principal source of information on labor trade, union, political-labor and socio-economic matters. The incumbent would act as the Embassy coordinator for labor matters when US interests involve other elements of the Mission, and maintain close contact with Dutch Government officials, foreign diplomats, international trade union organizations, and private individuals.

Ankara, Turkey, Political Officer (American) and $14,000. Turkey has been under military rule for almost three years and the process of returning to civilian rule is now accelerating. The political section in Ankara is currently staffed to meet the reduced civilian political activity characteristic of the military government period. Despite the return to civilian rule it is not likely that the former military government will simply fade into the background. The political section will now have the added burden of maintaining contacts with officials of the former military government as well as with the key players and parties of the new civilian government.

USNATO, Brussels, Belgium, Political/Military Officer and $53,000. This position would provide political-military expertise to the Director of the Defense Policy and Plans Division. The officer would monitor the political aspects of alliance defense activities, focusing on: formulation of ministerial guidance; the activities of the Defense Planning Committee (DPC) in both ministerial and permanent sessions; the Defense Planning Committee's Ministerial communiques; and the Strategic Defense Initiative. Expertise is needed in the formulation of ministerial guidance as this is NATO's principal defense policy statement. The Defense Planning Committee's Ministerial Communiques are the major annual political outputs of the Alliance. There is an increasing workload in coordination involving the Strategic Defense Initiative, and in the expanded emphasis being placed on Permanent Representative involvement in Alliance defense matters. Additionally, the officer would analyze national defense plans and performance to provide the basis for U.S. positions in NATO's annual multilateral examinations of other alliance nations defense plans.

Palermo, Italy, Political/Economic Officer and $52,000. In the past three years, a combination of Atlantic Alliance decisions regarding INF deployment at Comiso, Italy and developments within Sicily on the mafia phenomena and its implications for Italy and American law enforcers, have led to the Consulate Palermo being transformed from a post devoted primarily to statutory consular services to one of considerable interest to Washington policy makers and law enforcement agencies. The result of this is that Palermo's American staff, lacking a reporting officer, is stretched to the limit. Current total overtime staff years supporting this requirement is 2 staff years. The Consulate General has become, in effect, a reporting officer who tries to conduct his job as Consul General in his spare time. Palermo's changed status, as described above, makes the reporting and analysis function all the more important.

Zagreb, Yugoslavia, Political/Economic Officer and $55,000. This position is requested to provide adequate political and economic reporting essential to the USG if it is to fully comprehend the evolving situation in post-Tito Yugoslavia. Yugoslavia is undergoing the most important period of political and economic testing since 1948. A major economic crisis, persisting since 1980, is forcing a restructuring of its unique socialist "self-management" system. Consequently, the complex, decentralized power structure must adapt to these changes. The result is a vastly more complicated political and economic situation in which regional and local developments and power centers play a major and often dominant role. Political and economic developments in both Croatia and Slovenia (covered out of Zagreb) will be crucial to the course of Yugoslavian economic reform in the next four to five years. At the present time, one officer is specifically responsible for following developments in Slovenia, including extensive travel throughout that Republic. Therefore, Zagreb, with its present resources of two officers, can cover only major developments and lacks the resources to provide in-depth reporting in vital areas. The consular and administrative workloads for Zagreb are so high that staff from these two sections cannot be spared to devote more than a small fraction of their time to political and economic reporting. The primary consequence of not obtaining this crucial position will be the continued lack of in-depth political and economic reporting.

Paris, France, Political Officer and $65,000. The incumbent would be responsible for reporting on the French role in the Middle East and counter-terrorism reporting and liaison. The French role in the Middle East is growing and the need for effective exchange of information and coordination in this area with the French has never been greater. At the same time, we are experiencing an unprecedented degree of involvement with the French on Africa as subversive threats and instability in that region has multiplied. Reporting on French relations in these two areas was previously done by one officer. This is no longer feasible. At the same time, the levels of terrorist activity in France and against French interests abroad have increased. Reporting on terrorism and coordination with the Government of France on anti-terrorism has been handled, as a secondary issue by an officer either in the external or internal political unit. This position would help alleviate the Political Section's excessive workload.

Moscow, U.S.S.R., Political Officer and $76,000. The incumbent of this Junior Political Officer position would report on regional personnel changes within the communist party and goverment bureaucracies as well as regional implementation of the new leadership's five year development plan. The long-anticipated accession of a new generation of Soviet leadership has brought an intense review of the domestic scene, with major changes in personnel already underway. As communist party leader Gorbachev solidifies his personal political standing and implements his own program, important changes will be felt throughout the country. Current political internal staff is taxed to the fullest in monitoring leadership, human rights, religious, and social developments in Moscow. It must also implement and monitor the complex Soviet travel regulations affecting all U.S. personnel in the U.S.S.R. To the limited extent that regional reporting is now done, the responsibility is shared among all officers (not necessarily political).

Ottawa, Canada, Legal Affairs Officer and $56,000. The incumbent's primary responsibilities would be: handling the Embassy's economic and political issues having significant legal content; contributing legal perspectives to relevant mission-wide reporting; and other Embassy issues of a predominantly legal character. The magnitude and complexity of the United States/Canadian relationship is without parallel. There has been an increasing number of high-level bilateral legal issues between Canada and the United States. Several of these, such as the Orlikow case, have been on the Secretary's agenda in his meetings with the Canadian Foreign Minister. The Maine boundary case continues to require legal discussions as implementation of this court ruling is taken up. Other ongoing negotiations include: a new Anti-Trust cooperation agreement; a Mutual Legal Assistance Treaty; and a new IRS-Revenue Canada Agreement. These negotiations, and related consultations and legislation matters of importance to the U.S./Canadian relationship clearly put us at a considerable disadvantage vis-a-vis the Canadians in not having in-house legal expertise to deal with these issues. The front office staff now devotes one full staff year to duties of a a legal nature. They do not have the technical expertise to address adequately the complicated legal questions raised on a daily basis. Approval of the Legal Affairs Officer position would be a major, substantive improvement in our ability to conduct foreign relations with Canada.

Strasbourg, France, Reporting/Analysis Officer and $65,000. There is currently only one American Officer assigned to Strasbourg. The Principal Officer cannot adequately meet Washington's need for reporting and analysis on the Council of Europe (COE). Unlike any other consulate Strasbourg functions as the United States Mission to a major international political organization: the 21-member state Council of Europe (COE). Composed of Europe's parliamentary democracies, the COE is playing an increasing activist role in Europe and elsewhere. It has launched an ongoing process to promote democratic development around the world, has used parliamentary diplomacy to influence the foreign policy of its member states, and has encouraged international cooperation beyond Europe by opening its inter-governmental activities to participation by the United States and other non-member countries.

Moscow, U.S.S.R., Political Secretary (American) and $16,000. This position will be the second secretarial position in the internal unit which is currently staffed with five officers and one publications officer. Currently the only secretary in the internal section is spending several hundred hours of overtime a year in support of these 6 officers and in support of frequent high-level visits. The full range of secretarial work would be performed, including typing, filing, assisting the flow of paper, maintaining time and attendance records, providing secretarial assistance as required for TDY personnel, and assisting in coordinating arrangements for travel in the USSR and for official visits.

Budapest, Hungary, Political Secretary (American) and $13,000. The absence of one secretary means that the Political and Economic Sections function without a secretary. The Political Section's staff has just been increased and an additional Economic Officer position is being requested for Budapest, creating a real overload for the one secretary now handling both the Political and Economic Sections of the Mission.

Seville, Spain, Secretary/Communicator (American) and $54,000. There is currently no American secretary or communicator at post. This position will act as secretary to the Principal Officer, to include: typing all classified materials; taking dictation; maintaining files; acting as post communicator for classified materials including maintaining classified files; processing classified and unclassified telegraphic traffic; and supervising post mail and pouch operations. In addition, the Secretary/Communicator will perform clerical work of a classified nature for other American officers of the Consulate composed of two Consular Officers and an Administrative Officer. Secretarial tasks are currently being performed by the officer preparing the report. Due to already full schedules, this restricts the volume of the reports that can be prepared and contributes to delays in report preparation. Overtime currently worked by 3 American officers and 1 FSN to perform the required functions amounts to 1 staff year.

Madrid, Spain, Political/Military Secretary (American) and $55,000. The incumbent will provide the full range of secretarial support to designated officers in the Political/Military Section. The current strength of the combined Political/Military Section is 20 Americans and 1 Foreign Service National. The current ratio of officers to secretaries is four to one. This ratio is far too high considering the steady increase in reporting which has occurred due to changes in United States/Spanish relations in regards to the 1982 Agreement on Friendship, Defense & Cooperation, and expected changes brought on by Spain's entry into NATO and potential entry into the European Economic Community. The needs of this position are currently being met by PITs and overtime performed by other section secretaries.

Sofia, Bulgaria, Political/Economic Secretary (American) and $64,000. The incumbent of this position will provide the full range of secretarial services to the Political/Economic Section. This section has increased by two officers in the last three years. The current ratio of secretaries to officers is 1 to 5. Reporting requirements from the Department have increased, and post-generated reporting has also increased to meet demands from all foreign affairs agencies. One secretary can no longer handle the workload of five active reporting officers. One staff year of overtime has been dedicated to fill the needs of this position. The post has attempted to meet these requirements through the use of contract or PIT appointments, but due to the lack of requisite secretarial skills and/or continuity of employees, this has not been a viable solution.

Paris, France, Political Assistant (FSN) and $34,000. This FSN would be responsibile for: daily review of the French press and of more periodic scholarly reviews and journals; summary of key articles in same on political and political/military issues, speeches by the Prime Minister and other key ministers, views of key opposition leaders; drafting of telegrams and memoranda summarizing French public and political reactions to major international events; attending press conferences, seminars, colloquiums, and reporting on them in memoranda or telegrams; and support for visitors to the Political Section.

Strasbourg, France, Secretary (FSN) and $25,000. In addition to its other responsibilities, the Consulate General in Strasbourg functions in all important respects as a Mission to an international political organization, the 21-nation Council of Europe (COE) headquartered in Strasbourg. United States relations with the COE have been expanding significantly and are expected to continue to intensify in the future. This means an increasing workload for Strasbourg, which lost its only secretary position recently. The secretary position now being requested would include responsibility for arranging and supporting the frequent direct participation of visiting US experts and officials in COE conferences and meetings of importance to US interests, handling, and in many cases, drafting, a high volume of COE-related correspondence in both French and English, and procuring and distributing to Washington end-users an extensive amount of COE documentation.

Lisbon, Portugal, Political/Labor Assistant (FSN) and $29,000. This post has been greatly hampered in maintaining and initiating contacts with government ministries, political parties and labor unions because there is no FSN employee to handle day-to-day, working-level contact and data collection tasks. Political and labor reporting and analysis has been slowed and rendered unnecessarily complicated because political officers have been diverted to routine tasks which could, in fact, be handled more effectively by an employee native to this society and language.

Brussels, Belgium, Political Assistant (FSN) and $36,000. In 1982, the Department transferred the Regional Labor Officer from The Hague to Brussels due to the importance of increased reporting on Belgian labor function in the Embassy's Political/Military objectives in Europe. The addition of the new specialized labor function in the Embassy's Political Section now requires the addition of equally specialized FSN assistance from someone who has a deep background in Belgian labor, all the necessary languages and a range of contacts across the labor field in both halves of this politically divided country.

Lisbon, Portugal, Political/Labor Assistant (FSN) and $48,000. This would be the first FSN position in the Pol/Labor Section, currently staffed with 14 Americans. The incumbent would interface with the Portuguese community on related matters and perform the functions of a political and labor analyst. The Embassy has been greatly hampered in maintaining and following up on contacts with government ministries, political parties and labor unions because there is no FSN employee to handle day-to-day working level contact and data collection tasks. Political and labor reporting and analysis has been slowed and rendered unnecessarily complicated because political officers have been diverted to routine tasks which could be handled more effectively by an FSN employee.

Economic 6 Positions and $191,000

Izmir, Turkey, Economic/Commerical Officer and $57,000. The duties of the Economic/Commercial Officer are to: analyze and report on economic, commercial and agricultural activities; develop and maintain contacts with government officials; and provide services for visiting US officials in the Izmir consular district. These activities have been covered by a consular officer working part time. Legislation passed by the Turkish government in the last few years has encourgaed state owned enterprises. These activities are to a large degree centered in Izmir, and contacts forming the basis for economic reporting are much more extensive than in Ankara or Istanbul, which are export/import centers. Izmir is at the heart of the country's tourist industry, which the government has taken important steps to encourage. A major infrastructure project, namely a new international airport, will open next year. This will enhance not only the tourist traffic, but the development of private industry and the free trade zone being established near Izmir. The largest privately operated lignite mines are located in the district, with mines formerly operated by the national government now in privates hands. Lignite is already used extensively as the fuel for thermal energy stations, three are already in operation in the area and more will be built as Turkey searches for alternatives to imported oil as fuel for its developing industries. In the meantime, the Ali Aga complex, which embodies a large refinery and the country's biggest petrochemical industry is located only 45 minutes away. Turkey's attempts to provide its own energy have been a subject of great interest for Washington. Another major industry centered in the district is textiles and the production of cotton cloth and yarns. This has been a significant issue in US/Turkish bilateral relations, with the US threatening to impose contervailing duties. The Department and Congress both require that the industry be closely monitored. Another instance of rapidly increasing industrial development centers in the steel industry. Three of the largest steel companies are building factories next to the free trade zone. Although they import large quantities of scrap steel from the US for use in their manufacturing processes, steel quotas may become another US/Turkish bilateral problem in the near future. Turkey also exports large amounts of agricultural products from this region, where foods and livestock are produced, to the Middle East. Izmir is the center of the food processing industry. Izmir needs an economic officer position to follow all of these activities as well as to back up the Foreign Commercial Service at the Izmir Internatinal Trade Fair, in which the US participates along with 27 other countries. Without the position, it will no longer be possible to cover the extensive developments on the economic front in the Izmir region.

USOECD, Paris, France, Political Secretary (American) and $17,000. The secretary will be one of two assigned to the Office of Security Trade Controls at the Mission. The Office of Security Trade Controls is the permanent US Delegation to COCOM, an information organization of Western countries regulating the transfer of technology to communist countries. Since Oct. 1982 the Triennial List Review has sat in permanent session and the expectation is that this review will continue indefinitely. As a result, the office has been forced to split the operation of the US Delegation physically between the Mission and the Embassy building--approximately half-way across Paris--where the COCOM negotiations are held. The US Delegation now has permanent space in the Embassy building. Because the files and information processing equipment are located at the Mission, the only other secretary in the office must remain at the Mission. All work of this office is classified. Secretarial assistance for the permanent US Delegation and the large visiting US Delegation to the COCOM negotiations has been provided by a succession of PIT employees. Currently 3 staff years of PIT help are being used in support of the US Delegation.

Helsinki, Finland, Economic Secretary (American) and $19,000. Serves as secretary in the Economic Section and provides secretarial service to reporting and analysis officers as required. The current staffing level is inadequate to perform this function because at present there are only three American secretarial positions at post. When the Ambassador's or DCM's secretary is not on duty for any reason, the Political and Economic Sections must function without a secretary. The volume of work in the two-person Economic Section is sufficient to demand the services of a full-time secretary.

Ankara, Turkey, Economic Secretary (American) and $14,000. The Economic Section is currently staffed by an Economic Counselor and six officers. Current secretarial support is provided by one full-time American secretary and a PIT American. The PIT solution to this secretarial support problem has not been satisfactory because of the difficulty of locating a qualified secretary and obtaining the necessary security clearances. The time gaps between PIT secretarial support are phenomenal. This position would perform all secretarial and administrative support functions required by the Deputy Chief of the Economic Section, who is also the Embassy's Narcotics Coordinator, plus support 3 additional officers.

Moscow, U.S.S.R, Economic Secretary (American) and $71,000. Incumbent of this position would perform the full range of secretarial work including typing, filing, maintaining time and attendance records, providing secretarial assistance as required for TDY personnel and assisting in coordinating arrangements for travel in the U.S.S.R. and for official high level visits. The current ratio of officers to secretaries in the Economic Section is four to one. The fact that the Soviet leadership has changed three times in the last two years has had a drastic effect on the reporting function, and the resultant secretarial workload. American secretaries are currently spending approximately 1 staff year of overtime on functions pertaining to economic reporting. In addition to providing the needed support to the Economic Section, the Economic Secretary could be used to fill regular and unexpected absences in both the Embassy and American Consulate Leningrad. With this additional secretarial staffing, the Embassy would be in a better position to cope rather than calling for assistance from the regional program.

Warsaw, Poland, Economic Assistant/Translator (FSN) and $13,000. Duties would include: thorough coverage of economic press, assistance in preparation of economic statistical reports, provision of both written and oral translating services as required, and assistance in making appointments. The Economic Section currently only consists of American employees. As such, the American staff must devote a disproportionate amount of time to reviewing the extensive Polish economic press. This review, of course, requires more time than would be spent by a native Polish-speaking FSN. Currently the section benefits from part-time services of an FSN supervised by the Political Section. These services consist largely of translations and the making of appointments. An FSN assigned exclusively to the Economic Section would be expected to draw on a strong economic background to provide greater continuity in the understanding of statistical reports and would be expected to develop contacts in Government offices to aid in the setting up of appointments for the American staff. Poland's international debt problem, its efforts to reform the economy, and limited possibilities for substantial improvements in the economy require the Embassy to provide more detailed and extensive economic reporting.

Science and Technology, 1 Position and $16,000

Belgrade, Yugoslavia, Science Assistant (FSN) and $16,000. This position would assist the Science Attache in implementing the US-Yugoslavia Agreement on Scientific and Technological Cooperation, a large bilateral research grants program. The existing program level, fourteen million dollars over five years, will increase to twenty million dollars in 1985-1989. The FSN would manage the timeliness, completeness and accuracy of proposal submissions, grant documentation, project approvals, budgets and award letters, and produce the statistical data and supporting documentation for regularly scheduled bilateral meetings of the Joint Board, the policy and administrative body of the Joint Fund. The Unit currently has one American Officer, one FSN secretary, and the services of one FSN budget specialist on a part-time basis. About 30 percent of the projected work is now being absorbed by the American officer and by an FSN secretary who is performing well beyond the range of her position description.

Executive Direction, 1 Position and $16,000

Vatican, The Holy See, DCM's Secretary (American) and $16,000. The Embassy currently has only one secretary who serves as the secretary to the Ambassador. The office must rely on the local hire of an American family member as a PIT to support the DCM. This is a highly unsatisfactory and undependable situation. With the addition of a Political Officer, an American Administrative/Communications Officer and three American Security Officers, a Foreign Service secretary position is absolutely essential not only to support the DCM but to provide the typing of classified materials for other officers.

American Salaries, $3,272,000

Reporting and analysis is carried out in virtually all overseas posts, as well as in Washington. To meet the increased workload and staffing requirements of this function, salaries for 160 American positions are requested.

Post Assignment Travel (PAT), $1,872,000

To support the 104 new American overseas reporting and analysis positions, $1,872,000, or $18,000 per position, is requested.

Conduct of Relations with Micronesia

FY 1987
Program Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
--	--	--	--	2	$800	2	$800

I. Summary

During 1986 the United States will terminate the Trusteeship Agreement it has had with the United Nations to administer the Trust Territory of the Pacific Islands. After the Trusteeship ends, our relations with the newly-independent and freely associated states of the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau will be governed by the Compact of Free Association, which we have negotiated with their representatives.

In January 1986, the Congress passed and the President signed legislation to implement the Compact. The relationship between the United States and the freely associated states will be unique. They will conduct their own internal and foreign affairs. The United States, however, will provide for and control their defense.

To implement the legislation, there will be established within the National Security Council system an Interagency Group to determine and carry out U.S. policies in our relations with the Compact states. The Secretary of State or his designated principal officer will chair the Group. The Group's membership will also include representatives from the Departments of Interior, Defense, Commerce, and Justice, as well as the Organization of the Joint Chiefs of Staff, the Office of Management and Budget, and the National Security Council. Representatives from other departments and agencies may be brought into the Group as needs warrant.

The Secretary of State, who will have responsibility for official relations, will nominate for appointment by the President and confirmation by the Senate United States representatives to the freely associated states, and will supervise the conduct of United States representatives who are assigned to these states.

Within the Department, the Office of Pacific Island Affairs in the Bureau of East Asian and Pacific Affairs coordinates departmental positions for presentation and decision by the Interagency Group. The Office of Micronesian

Status Negotiation, an NSC office with State and Defense personnel, implements the decisions of the Interagency Group.

The Secretary of the Interior will coordinate and monitor programs and services provided to the Compact states and will receive appropriations to carry out these programs. Military affairs will be conducted through the Department of Defense.

II. 1987 Plans

An Executive Order of the President will come into effect when the Administration terminates the Trusteeship and starts to implement the Compact. The Executive Order will delineate the responsibilities of the Secretary of State with respect to the freely-associated states and will create the Interagency Group on Freely Associated State Affairs and the Office of Freely-Associated State Affairs (OFASA). OFASA will be located in the Department and headed by an appointee of the Secretary. It will implement the decisions of the Interagency Group and will execute, on a day-to-day basis, the statutory responsibilities of the Secretary for the conduct of our official relations with the freely-associated states.

The two positions included in the 1987 request will enable the Department to carry out its statutory and regulatory responsibilities with respect to the freely-associated states. These positions and associated funds will be used to manage our government-to-government relations with the freely-associated states. It is anticipated that activities will involve the whole range of diplomatic relations, such as: political and economic reporting and analysis; consultation with Island officials; and the recommendation of policy alternatives with respect to U.S. actions towards Micronesia.

• Overseas Consular Workload

FY 1987

SUMMARY STATEMENT

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr. (-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
2,634	$132,758	2,634	$132,758	2,668	$134,329	34	$1,571

I. Summary

	FY 85 Actual	FY 86 Est	FY 87 Est	%Incr.
Total Cases (000s)	10,357	11,023	11,605	5.25

Overseas consular activities are an important part of the Department's overseas operations. Included in this activity is the issuance of immigrant and non-immigrant visas to aliens traveling to the United States and the providing of assistance to American citizens traveling or residing abroad.

Workload in these three major areas of overseas consular operations continue to grow. However, to a large degree, this workload is being met through the Department's continuing efforts to introduce current technological automation and data processing to overseas consular operations.

II. Current Programs

Non-Immigrant Visas

	FY 85 Actual	FY 86 Est	FY 87 Est	%Diff
Total Cases (000s)	7,054	7,750	8,023	5.82

Fiscal Year 1984 saw a return to growth in worldwide demand for nonimmigrant visas (NIV). Moreover, moderate to significant increases in all other areas of consular operations have also been recorded in all geographic areas for 1984 with continued strong growth projected through 1987. Between FY-1983 and 1984 consular productivity increased. These productivity advances were due in part to increased automation, in part to improved management. Given these productivity improvements and the 1982-83 NIV decline in demand, no consular positions were requested in the 1986 budget request.

Higher across the board caseload growth rates through 1987 are predicated on a variety of factors--continued strength of the U.S. economy through planned tax reform and greater control of the deficit, lower oil prices, moderate increases in the economic growth of the European countries and a decline in the high destabilizing dollar exchange rate. All these factors should lead to a healthier international economic situation and inevitably to more consular activity, particularly in nonimmigrant visas--the area most sensitive to changes in economic conditions and most volatile in terms of personnel needs.

Despite continuing stagnation in many foreign economies as well as an unprecedentedly high U.S. dollar exchange rate, nonimmigrant visa activity rose by a healthy 5.5 percent in 1984. In Europe, where the traditional middle class travelers were most affected by the recession in 1982 and 1983, greater numbers of businessmen are taking up the slack.

Finally, potential travelers everywhere are being lured to the U.S. by low cost fares resulting from airline deregulation. At the same time, malafide nonimmigrant applications have surged upwards as intending immigrants, attempting to circumvent lengthy U.S. immigration regulation and obtain immediate entry to the U.S., seek access to the American job market and escape from countries whose economies continue to stagnate. NIV refusal rates, reflective of these more complex and time-consuming cases, grew by an astounding 23.1 per cent last year.

Immigrant Visas

	FY 85 Actual	FY 86 Est	FY 87 Est	%Incr
Total Cases (000s)	501	537	568	5.82

A modest rise in immigrant visa issuances (IV) in 1984 has been overshadowed by a significant 9 per cent increase in pending IV cases world wide. Thus, 1984 ended with 1.7 million aliens registered as intending immigrants with all indicators pointing to continued strong demand for immigration. Significant personnel resources are required to maintain posts' growing IV data bases and to respond to the unending flow of communications from applicants themselves, their attorneys, concerned relatives and prospective employers in the U.S. This activity, at least two-thirds of total IV work hours expended yearly, is not adequately portrayed by simple visa issuance and refusal figures. Immigrant as well as nonimmigrant workload have been complicated in many posts, especially in Europe and the near east, by the increasing numbers of displaced applicants--Iranians, Libyans, Afghans--who cannot apply for visas in their home countries. Their cases require extra effort on the part of consular staffs dealing with unfamiliar documents and strange languages.

Overseas Consular Services

	FY 85 Actual	FY 86 Est	FY 87 Est	%Diff
Total Cases (000s)	2,803	2,916	3,014	3.33

The same economic conditions which kept the growth rate in the number of foreigners visiting the U.S. within reason--the remarkably strong dollar and moderate economic growth abroad--lured millions of Americans overseas. Many of these were inexperienced travelers who proved to be easy prey for pickpockets and muggers. A number of posts have reported significant increases in the numbers of replacement passports issued for lost or stolen documents this year. These are more labor intensive cases than regular passport issuances since they generally involve other stolen items including money as well as trauma for the victims. Thus the passport workload although only marginally greater than in 1983, was considerably more demanding. The baby boomlet experienced by Americans at home was also reflected in the activities of overseas citizens. Based on statistics for the 1985, a 9 per cent increase in reports of birth abroad is predicted.

The resources needed for the significant growth in Federal Benefits work resulting from recent changes in the laws on the taxation of social security benefits and regulations governing disability claims are not factored into the calculations except in so far as they form part of the responsibilities of more general Citizen Services positions. Full-time Federal Benefits positions requested by posts overseas will be sought through transfer of positions and reimbursement from the Social Security Administration.

III. 1987 Plans

To keep pace with increasing workloads in overseas consular workload, the Department is requesting a 1987 package of 34 positions (13 American and 21 FSN) and $1.6 million in associated operating, salary and PAT costs. This increase in overseas consular positions is requested as follows: Bureau of African Affairs (1 FSN), Near East and South Asian Affairs (2 Americans and 4 FSNs), East Asian and Pacfic Affairs (6 Americans and 5 FSNs), Inter-American Affairs (3 Americans and 7 FSNs), and European and Canadian Affairs (2 Americans and 4 FSNs).

The requirement for 34 additional American and FSN positions worldwide is based not only on the growing magnitude of the consular workload but also on its increasing complexity. An important aspect of this requested increase is the broadened emphasis on strengthening internal management controls in consular sections abroad in order to diminish the potential for waste, fraud and misuse in all aspects of consular operations.

In addition to keeping up with growing Consular workloads, the Department will continue its program of expanding automation to overseas consular sections. In 1987, we project that approximately 12 posts will receive the automated non-immigrant visa system (NIVCAPS) or the automated immigrant visa issuance system (IVACS). These systems allow consular sections to deal with expanding and more complex workloads without having to increase consular staffing.

0151W

OVERSEAS CONSULAR WORKLOAD

Positions & Funds
PROGRAM CHANGES
Budget Year 1987
(dollars in thousands)

	POSITIONS				CENTRALLY MANAGED FUNDS			BUREAU MANAGED FUNDS	TOTAL FUNDS
	AMERICANS		FSN	TOTAL					
	DOM.	O'SEAS			SALARIES	PAT	TOTAL		
S&E BUREAU:									
African Affairs....................			1	1				13	13
Near East/S Asian Af..............		2	4	6				65	65
East Asia/Pacific Af..............		6	5	11				404	404
Inter Amer Affairs................		3	7	10				293	293
EUR/Canadian Affairs..............		2	4	6				303	303
American Salaries.................		--	--	-	259		259	--	259
Post Assignment Trav..............						234	234		234
TOTAL ALL S&E BUREAUS.............		13	21	34	259	234	493	1,078	1,571

0217W

PROGRAM DETAIL

OVERSEAS CONSULAR WORKLOAD, 34 Positions (13 Americans, 21 FSNs) and $1,571,000

Bureau of African Affairs

Dakar, Senegal - FSN Consular Assistant and $13,000. Dakar is a focal point for consular activity in the Northwest Africa region. The Chief Consular Officer is the Regional Consular Officer (ROC) providing advice and assistance to six other posts in the area. As the city is a regional center of activity, consular services have grown in recent years. Last year, non-immigrant visa cases were up by 67 percent over FY 1983 levels. Special consular Services have climbed by over 30 percent in the last two years and passport cases have nearly doubled. During this growth period, no staff has been added. The one FSN has been augmented by help from other sections. Last year detail-in workhours (assistance from other sections) reached 2,000. In order to insure that Dakar has sufficient FSN resources to meet its workload, an additional FSN for general consular work in needed in 1987.

Bureau of Near Eastern and South Asian Affairs

Overseas Consular Workload, 6 Positions (2 Americans, 4 FSN) and $65,000.

Dubai, U.A.E. - FSN Consular Assistant, $17,000. The problems which have troubled the Arabian peninsula in recent years are reflected in the workloads at the Embassy in Abu Dhabi and the Embassy's branch office in Dubai. Since FY-83 Immigrant Visa (IV) cases have grown by 67 percent and Non-Immigrant Visa (NIV) cases by 91 percent. With the economy of the UAE strapped by reduced oil revenues and the disruptions produced by the nearby Gulf War, many of the third country nationals who previously prospered in this oil rich state are looking for other countries in which to earn a living. Americans who previously enjoyed the security of well-paid jobs in the UAE have come to the Embassy in increasing numbers seeking services of the passport and American services sections as they leave the Emirates or search for new jobs. Dubai has recently been upgraded to Consulate General status.

At present three consular officers and seven FSN's split between the Embassy and the branch office. The efficiency of the consular sections in the UAE to deal with the increased workload for consular services cannot be maintained without an additional FSN Consular Assistant. A case control system should be completed later this year; the FSN involved should be able to devote more time to the growing non-immigrant visa demand. As the branch office in Dubai predicts, nearly a 40 percent increase in the number of cases in FY-85, it will be nearly impossible for the one full-time FSN to handle the case load. As the other FSN in the Branch Office devotes his hours to the growing American Services workload, an additional position is needed to cover the work.

Bombay, India - American Consular Officer, $16,000; Visa Clerk, FSN-5, $6,000. Bombay is on the leading edge of the growing visa workload in India. There is a sizeable Indian community in the United States to draw both visitors and immigrants to our country. Immigrant visa (IV) applications have risen by 26 percent and non-immigrant visa (NIV) cases are up by 13 percent since 1982. Even with the very strong dollar in FY-84, non-immigrant visa (NIV) applications in Bombay remained steady. The potential for growth in both these areas remains strong as the number of active pending immigrant visa petitions grew by nearly 13,000 in FY-84. Bombay receives an average of 958 new IV petitions each month. Bombay has reached the limits of the amount of work its present staff can perform. In a region which has increasing pressure to find a route, whether legal or illegal, to immigrate to the United States, the ratio of workhours per case is significantly beyond the limits established to ensure that the claim to immigrant status is legitimate. Non-immigrant visa cases are being processed at the rate of one every one-third of an hour. Each officer is already processing an average of 71 cases each day (95% of which require a personal interview). This number grows to 175 per day per officer in the busiest months. It is impossible at this interview rate to have an effective interview which takes into account all aspects of the law and guards against attempts to defraud the U.S. Government. The growing workload and numbers of pending cases means that more FSN time must be spent on processing the applications. One American and one FSN position will be needed by FY-87 if Bombay is to meet its growing workload.

Madras, India - American Consular Officer, $16,000; FSN Visa Clerks (2), $10,000. Southern India joined the migration to the United States at a later date than the northern part of the country, but it is now a full partner in the Indian community in America. Since FY-81 immigrant visa cases processed in Madras have grown by 45 percent and non-immigrant cases have grown by 49 percent. Active immigrant visa cases have grown by 7,072 in the past year alone; an increase of 27 percent.

The consular section in Madras had over one half an American position and nearly one full FSN position in overtime hours in FY-84. In addition, the post used one half a position in FSN PIT hours. Each officer interviews an average of 24 cases a day. In the non-immigrant visa unit each officer handles 69 cases a day, the great majority of which need to be interviewed by an officer. As the pressure to immigrate grows, the relative availability of visa numbers diminishes, and the South Indian community in the United States prospers, the frequency of visa fraud increases. Last year one officer spent the equivalent of seven weeks investigating suspected fraud in visa cases. The amount of time spent on pursuing fraudulent claims is expected to grow. The FSN staff is working as much as five hours overtime per employee every week to get the cases processed.

Bureau of East Asian and Pacific Affairs

Overseas Consular Workload, 11 Positions (6 Americans and 5 FSNs) and $404,000 Bureau Managed.

Brisbane, Australia - American Consular Officer and 2 FSN Consular Clerks, $91,000. The Consulate in Brisbane was reopened in 1983 with one officer who handles Consular duties on a part-time basis and two FSNs, one of which is assigned to consular duties. A full-time consular officer is needed to cover the entire Queensland consular workload and also to handle the American services. Prior to the post's closing in 1980, one full-time consular officer was assigned there. The workload in Brisbane will have increased since 1978 by approximately 29% in non-immigrant visas, 33% in citizen services and 20% in citizenship and passport cases.

Seoul, Korea - 2 American Consular Officers and 1 FSN Consular Clerk, $137,000. The growing Korean community in the United States and the presence of a sizeable American military and business community in Korea has made Seoul one of the most important consular sections worldwide. It is the second ranking immigrant visa processing post, an important Non-Immigrant Visas center, accepting over 70,000 applications in 1984, and a busy American Services operation serving a large military force and a growing business community. In spite of incredible economic growth in Korea over the past two decades, population pressures and family ties have caused demand for immigrant visas to far outstrip the available supply. Fraud has become a major problem and Embassy Seoul has unearthed some of the largest and most sophisticated fraudulent visa schemes ever discovered. These operations range from fraudulent documents and identity switches to fabricated American relatives and forged visas. Seoul has been the number two immigrant visa processing post, just behind Manila, for several years. It has an efficient rate of processing cases, using only 1.85 hours in total per case with each officer averaging 24 interviews per day (both rates among the best in the world for IV sections). Two American consular officer positions are needed to provide the necessary support in handling the workload. In addition, the continuing problem of attempts to defraud the U.S. Government have swamped the Embassy's Anti-Fraud unit. Over 2,900 cases involving potential fraud were brought to the attention of the Anti-Fraud Unit in 1984. To handle this growing problem, Embasssy Seoul needs an additional FSN investigator by 1987.

Beijing, China - 2 American Consular Officers, $92,000. As relations between the United States and China continue to expand into new areas, there is a concurrent growth in the need for consular services. This trend towards expanded contacts has resulted in more Chinese visitors to the United States and more American visitors into the PRC. Non-immigrant applications have risen by 76 percent since 1981 and by 100 percent from 1984 to 1985. American services cases and especially those involving hospitalization or death can be extremely complex and time-consuming in the PRC. Increasingly, older Americans, who are more susceptible to illness, are taking package tours of the PRC to some of that country's most remote tourist attractions.

Based on 1984 non-immigrant applications and the rate of applications in 1985, Beijing will process 68,750 NIV's this year, up from 34,[illegible] last year and 24,941 in 1983. Immigrant visa applications which totalled 1,029 in 1981 are expected to reach 2,200 this year. The very time-consuming SCS cases climbed by 48 percent in 1984 and by another 28 percent in 1985. Based upon the projected increases for American services and the non-immigrant visa workload, two additional officers are needed: one to cope with the growing American services workload and the second for the skyrocketing NIV applications.

Osake-Kobe, Japan - FSN Visa Clerk, $12,000. Japan's industrial center lies in the Osaka-Kobe consular district. The region's economic output in calendar year 1984 was valued at over $400 billion. The importance of this area to Japan and to Japanese-American trade makes the consular section in Osaka-Kobe a very busy one and the third largest in NIV cases in the world, trailing only Tokyo and London. In addition, there are over 6,000 Americans resident in the consular district and the historic cultural centers of Kyoto and Nara draw thousands of American tourists each year. The NIV workload grew by 8 percent in 1984 to over 390,000 cases. The caseload in 1985 will grow by 9 percent, bringing the total number of cases to over 425,000. This phenomenal growth in the NIV workload has been handled in Osaka-Kobe by taking extraordinary steps to increase the efficiency of the consular staff. Osaka-Kobe is the most efficient post in the world at processing NIV cases, using only .054 hours per case. During the past five years, the influx of American businessmen and tourists has occasioned a growth similar to that in the NIV caseload in the American services and passport areas. An additional FSN is needed to help the visa staff process the increased visa workload in 1987.

Tokyo, Japan - American Consular Officer, $63,000. Japan's position as a major United States trading partner is reflected in the consular workload at our posts there. As Japan's economic position in the world has grown in importance, the numbers of visa services and American services offered by the U.S. Embassy have increased also. Tokyo is the largest, by volume, NIV post in the world. The number of Americans resident in Tokyo's consular district continues to grow. The large military presence remains at over 50,000. As the workload has grown in Tokyo, the increases have been met by taking extraordinary steps to make the process more efficient. While the staff has remained static since 1978, the workload has grown phenomenally. NIV cases have grown by 100,000 cases a year. IV cases have nearly doubled from 1,285 to last year's 2,198. SCS cases have increased by 40 percent, from 22,245 cases in 1978 to 30,962 in 1984. Passport services have grown by 18 percent in the same period. In order to handle administrative matters and answer correspondence, the consular section has used an employee from the visa section as the section secretary. With growth in NIV cases estimated to surpass 600,000 in 1985, this solution will no longer be viable. An American secretary is needed to support this large section and to allow the FSN employee to return to visa duties where the position is critically needed.

Cebu, Philippines - FSN Consular Clerk, $9,000. The Philippine Islands have ties to the United States which go far beyond those of most other countries, a fact which is demonstrated by the large numbers of Filipinos who visit or immigrate to the United States every year. Since the ties, both cultural and familial, are so numerous and the numbers who can immigrate limited, the pressures to perpetrate fraud in order to secure a visa are also great. Though Cebu does not process IV cases, many Filipinos who apply in Manila are from Cebu's consular district. With the great pressure to immigrate to the United States and the associated fraudulent applications, Cebu is asked by the consular section in Manila or by INS to investigate questionable cases. This caseload has now grown to a size which is beyond the capacity of the present staff to handle. Cebu uses only .29 hours on each NIV case and the American officer interviews at a rate of 64 applicants a day. NIV applications grew by 165 percent from 1983 to 1984. To meet the increased demand, Cebu had to devote 1,215 more FSN hours to processing NIV's in 1984 than in 1983. This requirement, in addition to the more than 2,300 FSN hours spent on investigations in 1984, has strained the post's resources to the limit. The post will require an additional FSN to allow it to adequately meet the increasing demands to investigate questionable visa applications.

Bureau of Inter-American Affairs

Overseas Consular Workload, 10 Positions (3 Americans, 7 FSNs) and $293,000.

Brasilia, Brazil - FSN Consular Assistant, $26,000. The post handles all consular services (excluding immigrant visas) and supervises two consular agents. This request is for additional clerical support for the Brasilia Consul General who also coordinates Brazil's in-country consular activities. The support is currently provided by PIT employment and is requested as a PIT conversion.

Guatemala City, Guatemala - FSN Consular Assistant, $23,000. This position it requested based on the increase of a projected 20,000 non-immigrant visas above the FY 1984 actual figures. The greatest need is for addressing increasing fraudulent documentation.

Martinique, French West Indies - FSN Consular Assistant, $20,000. Services in a multipart consular district like Martinique's, which includes French Guiana, Guadeloupe, St. Barthelemy, and the French half of St. Martin have increased by 12% in FY 1984 and are expected to increase by another 14% in FY 1985. To further exacerbate this workload problem is the requirement that according to host country law, all FSN employees must be provided with a minimum 5 week annual leave, and generous sick leave, family leave, and numerous local holidays. Further projected workload increases through FY 87, along with host country civil service requirements necessitate an additional position.

Matamaros, Mexico - American Consular Officer, $45,000. Increased use of expired Mexican passports for use as border crossing cards is shifting a part of INS's workload at the border to the Consulate. Additionally, a change in policy by the Harlingen, Texas INS office is resulting in more citizenship cases being adjudicated by the Consulate.

Mazatlan, Mexico - American Consular Officer, $45,000. Special Consular Services has grown due to increased tourism, much of which requires services and resources disproportionate to their numbers. Prison visits of incarcerated Americans is extremely time consuming for consular employees. Additionally, estate and property, as well as welfare/whereabouts cases have increased sharply. Visa cases have increased 40% over FY 1984. Given these increased responsibilities which have necessitated American overtime this additional position is warranted.

Mexico City, Mexico - American Consular Officer and FSN Assistant, $26,000. Although staffing is considered to be insufficient at this post, it also maintains one of the highest case workloads in the world. Immigrant visa workload has increased enormously and is expected to continue, thus necessitating an additional American and one FSN position.

St. George's, Granada - FSN Consular Assistant, $16,000. The Embassy in Grenada, our newest mission, was established after the October 1983 rescue operation. Limited consular operations were established in Grenada in late 1983 following the rescue mission. The Department plans to provide non-immigrant visa services in FY 1987 which will require additional staffing.

San Jose, Costa Rica - FSN Consular Assistant, $24,000. As with other Central American posts which are contending with increased workload as a result of growth in both immigrant and non-immigrant visa issuances, Costa Rica also hosts Central America's largest non-military resident American population. By FY 87, total visa workload will increase by 20% over FY 85 levels and during this same period, services to the large resident American population are expected to increase by a similar percentage. To cope with the growth, the post requires this additional position.

Santo Domingo, Dominican Republic - FSN Consular Assistant, $23,000. The post describes itself as a perfect example of a visa mill: masses of humanity seeking entry into the U.S. temporarily or permanently via legitimate means if possible, fraudulently if not. It is the fourth largest immigrant visa post in the world. Given this situation, in FY 1985, two additional visa clerks were contracted. An additional FSN is required to allow the post to regularize one of the contract positions.

Bureau of European and Canadian Affairs

Overseas Consular Workload, 6 Positions (2 Americans/4 FSNs) and $303,000.

Bern, Switzerland, 2 FSN Consular Clerks, $92,000. Consular activities in Bern focus on four disparate groups--the U.S. resident community, the travelling American public, the Swiss themselves and Iranian citizens. Since our Embassy in Tehran closed, the consular section in Bern has acted as liaison with the Swiss protecting power which oversees U.S. interests in Iran. One result of the Swiss role has been a relatively lenient visa policy for Iranians wishing to visit Switzerland. This has resulted in significant numbers of Iranians making application for immigrant and non-immigrant visas in Bern. Such cases are complicated by language differences, the difficulty of interpreting Iranian documents and the potential for fraud. Iranians constitute 50 percent of Bern's steadily growing IV workload. They are also the primary cause of the 30 percent increase in pending IV cases from 1,669 in 1983 to 2,153 in 1984. FY-84 saw an increase of 39 percent in the number of Iranian NIV applicants as well.

In addition to the visa workload, Bern handles passport and citizen services for an increasing number of Americans in Iran. Three airplane hijackings with Americans aboard, one involving the murder of two U.S. Government employees, created significant protection problems for Bern in 1984 and 85. During the past year the growth in magnitude and complexity of visa work necessitated two full FTE's of additional consular assistance in the form of two full-time PIT's. Over the longterm the workload cannot be satisfactorily handled by PIT employees, since it is neither seasonal nor temporary. Since there is no indication that the situation will change in the immediate future, these two positions are requested in FY 1987.

Krakow, Poland - FSN Consular Clerk, $22,000. When martial law was lifted in Poland, the non-immigrant visa workload rebounded to FY 1981 highs with greater increases predicted for the outyears based on the first five months of FY 1985. The refusal rate is up commensurately leading to Congressional and press attention which has generated a significant amount of correspondence and telephone inquiries with which a hard-pressed staff has had to deal. Productivity in the NIV section has doubled. As U.S./Polish relations have gradually improved, more U.S. tourists have been visiting Poland. Although Krakow's consular district is small, it encompasses many of the major tourist attractions in the country. The passport issuance rate was up 50 percent in FY 1984 over FY 1983. Increases are expected to continue although at a more moderate rate. There has been an increasing emphasis on anti-fraud efforts particularly in non-immigrant work, as greater numbers of Poles appear to be trying various devices to escape the worsening economic and political environment in Poland.

Rome, Italy - American Consular Officer, $79,000. After a downturn of several years Rome is seeing across the board increases in consular activity. The fact that inflation in Italy is at an eleven year low boosts tourism, and the demand in the U.S. for cheaper Italian goods encourages business travel. This urge to travel has been enhanced by the recent relaxation in Italian foreign exchange controls. For these reasons the upward trend in demand for NIV's is not expected to abate. Passport issuance is up 17 percent in FY 1985 including a substantially greater number of replacements for lost or stolen passports as unsuspecting American tourists are preyed upon by pickpockets and muggers. Such cases require significantly more time in helping citizens to replace lost valuables and providing psychological support after a trying experience than normal passport issuance.

Stuttgart, Germany - American Consular Officer, $75,000, 1 FSN Consular Clerk, $35,000. With a resident American military community of over 44,000, Stuttgart is faced with various passport and citizenship problems. The most dramatic activity has been the growth in the number of reports of birth issued with a 24 percent increase 1985 over the comparable period last year. Reports of death, estate/property claims, welfare/whereabouts are also significantly up. Meanwhile the non-immigrant visa workload has grown by 8 percent over last year reversing a two year downward trend. Based on this year's figures the upward movement is expected to continue. Not only are there more cases but the cases are also more complicated and time consuming involving third country nationals, primarily Iranian but also Afghans, Poles and Vietnamese.

American Salaries

Overseas Consular Workload, $259,000.

In order to meet increasing demands for consular services overseas and improve the quality and management of these activities abroad, salary costs of $259,000 for 13 additional American positions are required.

Post Assignment Travel (PAT)

Overseas Consular Workload, $234,000.

In order to meet increasing demands for overseas consular services Post Assignment Travel funds of $234,000 ($18,000 per new position) for 13 additional American positions are required.

Overseas Administrative Support

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
5,344	$221,409	5,344	$221,409	5,458	$224,966	114	$3,557

I. Summary

A substantial investment in resources is required for the administrative support of the Department of State. These administrative functions fall into several broad categories as follow: general administration; budget and fiscal operations; general services (including building services and maintenance, procurement and contracting, warehousing and inventory, motor pool operations, etc.); personnel; medical services; and limited communications functions (such as telephone operators and mail clerks). These functions are performed not only in support of State Department operations overseas, but also, to the extent possible, for overseas operations of other agencies under reimbursement arrangements.

The Overseas Administrative Support Package presents the additional positions needed for the Department to maintain adequate levels of adminstrative support services to its own overseas programs as well as those of other agencies. The 1987 requirements are based upon central management analysis of quantified workload and staffing data from administrative staffs in 124 countries.

II. Current Programs

The data used to analyze overseas administrative workload and staffing is reported annually by posts under the Foreign Affairs Administrative Support (FAAS) system. The FAAS system operates in 124 countries where the Department provides substantial administrative support services to other agencies. It generates workload and staffing reports used to determine the distribution of administrative service costs among the supported agencies. Included in the reports are the workload data generated by each agency at the mission on the American and foreign national staff of the administrative section.

The data base for the administrative package was developed by computerizing each country's workload and staffing reports for the years 1980 through 1985. Each request for new administrative positions was analyzed based upon this data and the following factors:

-- Trends in administrative staffing from 1980 to 1985;

-- Workload increases or decreases in the specific administrative section of the post (e.g., Budget, Personnel, General Services) for which the new position is being requested;

-- Trends in the level of State's program staff in the country compared with that of other agencies; and

-- The staffing projections of State and other agencies for 1986 and 1987.

Requests for Foreign Service National (FSN) administrative employment were also reviewed in the context of the Department's efforts to regularize its overseas employment pursuant to OMB Circular A-76. This circular requires federal agencies to use the most cost-effective option in determining whether work should be performed under contract or by direct-hire employees. In accordance with these guidelines, this package presents requirements for both direct-hire employees performing work directly related to the functions of government and for contract employees performing what are essentially commercial functions in support of the government's work. Accordingly, the Department's budget requests only the funds and not the positions or FTE associated with work to be performed by new commercial employees. Conversely, and in accordance with A-76 guidelines, the budget also includes requests for new FTE (but not the funds) necessary in order that 34 employees presently engaged under contract may be converted to direct-hire status.

III. 1987 Plans

The results of the analysis are as follow:

In order to keep pace with overseas administrative workload, we have identified needs for 32 State-funded American positions and 82 State-funded FSN positions. Also against these requests, we are budgeting an additional $120,000 for costs associated with 6 new State-funded commercial employees to be engaged on a contractual rather than a direct-hire basis.

More detailed analyses of the direct positions requested by geographic area and function are shown below.

FY 1987 Request for Overseas Administrative Support Positions by Geographic Region

Regional Bureau	Americans	FSN	Total
African Affairs	9	26	35
Near Eastern and South Asian Affairs	4	15	19
East Asian and Pacific Affairs	6	8	14
European and Canadian Affairs	8	24	32
Inter-American Affairs	5	9	14
Total	32	82	114

FY 1987 Request for Overseas Administrative Support Positions by Function

Function	Americans	FSN	Total
Administration	17	10	27
Budget & Fiscal	2	14	16
General Services	9	43	52
Bldg. Maint.	2	6	8
Communications	1	7	8
Personnel	-	2	2
Medical	1	-	1
Total	32	82	114

All direct-funded resources are requested for allocation in 1987.

0185W

OVERSEAS ADMINISTRATIVE SUPPORT

Positions & Funds
PROGRAM CHANGES
Budget Year 1987
(dollars in thousands)

	POSITIONS				CENTRALLY MANAGED FUNDS			BUREAU MANAGED FUNDS	TOTAL FUNDS
	AMERICANS		FSN	TOTAL					
	DOM.	O'SEAS			SALARIES	PAT	TOTAL		
S&E BUREAU:									
African Affairs..................		9	26	35				568	568
Near East/S Asian Af..............		4	15	19				133	133
East Asia/Pacific Af..............		6	8	14				469	469
Inter Amer Affairs................		5	9	14				296	296
EUR/Canadian Affairs..............		8	24	32				933	933
American Salaries.................					582		582		582
Post Assignment Trav..............						576	576		576
TOTAL ALL S&E BUREAUS.............		32	82	114	582	576	1,158	2,399	3,557

0218W

Program Detail

Bureau of African Affairs, 35 Positions (9 Americans, 26 FSNs) and $568,000

Administrative Assistant, Bujumbura, Burundi, 1 FSN. An Administrative Assistant is needed to: control expendable supplies; maintain non-expendable property; organize and maintain all GSO warehouses; perform regular inventories of property and supplies; and arrange for repair and refurbishing of furniture, appliances and equipment. Only the position is requested because these duties are being performed under contract and sufficient funds will remain in the base to cover costs.

Mail Clerk/Duplicating Equipment Operator, Gaborone, Botswana, 1 Contract FSN and $14,000. A mail clerk/duplicating equipment operator is needed to: reproduce and distribute all unclassified telegrams; process and document all unclassified pouches; sort and distribute unclassified pouch materials; and performe embassy central reproduction services. Current staff is handling workload, but at the expense of costly overtime, lower work standards, and adverse morale. During 1984, two communications personnel worked 650 hours of overtime; though much of the overtime is unavoidable (e.g., call-ins, circuit problems), 50 percent could be eliminated by employing a contract mail room employee. Additionally, the contract employee would ensure adequate coverage when a staffing gap occurs or when one of the two communicators go on leave.

Driver, Malabo, Equatorial Guinea, 1 Contract FSN and $13,000. A contract chauffer driver is needed to: perform driving duties; deliver all written messages to government ministries, other embassies and local businesses; distribute information program books and pamphlets; provide transportation services for TDY personnel; and serve as chauffer/messenger for the new Political/Economics Officer. The embassy currently has three vehicles and one chauffeur, who is assigned principally to the Ambassador. Embassy Malabo received a 50 percent increase in its American staff in 1985 which has substantially increased the chauffer and messenger workload.

GSO Building Services Officer, Dar es Salaam, Tanzania, 1 American and $72,000. A GSO Building Services Officer is needed to: supervise embassy routine and emergency maintenance staffs; develop necessary special general services projects; and provide follow-up with local contractors/vendors for on-going projects. The current general services section consists of one American position which has overall responsibility for the GSO operation.

Administrative Clerk/Typist, Cotonou, Benin, 1 FSN. An administrative clerk/typist is needed to: type a variety of narrative and tabular material in both English and French; perform various clerical duties such as filing, retrieval of documents, compilation of information for reports; compose simple correspondence; perform routine translations; answer telephone calls; and receive visitors. Only the position is requested because these duties are being performed by an American PIT employee and sufficient funds will remain in the base to cover the salary costs.

Administrative Secretary, Harare, Zimbabwe, 1 American. An administrative secretary is needed for the office of the Director of Joint Administrative Operation (D/JAO). With the exception of the GSO area, the D/JAO is responsible for all administrative sub-functions including personnel, B&F, security and medical. When the post opened in Spring 1980, staffing levels did not justify a full time secretary for the D/JAO; over the past five years, however, the embassy has grown to a level that a secretary is needed. The position is currently being filled by a PIT employee, but with PIT employees, continuity is lost, as each new employee has to be trained. A full-time secretary would provide continuous support for the post. The funds that are now used to pay the PIT employee will be used for the support costs of this new position.

Administrative Officer, Johannesburg, South Africa, 1 American and $43,000. An Administrative Officer is needed to coordinate B&F, local purchasing, housing, and other administrative activities in Johannesburg. The Consulate in Johannesburg with 18 Americans and 35 FSNs from State, USIA, FCS, IRS, and VOA has the responsiblities and workload of many embassies. Although relying on Embassy Pretoria for overall administrative direction, the consulate requires an on-site, knowledgeable officer to coordinate the wide range of administrative functions which occur on a daily basis. In addition, the Embassy in Pretoria needs liaison with one accessible on-site American employee who has an understanding of day-to-day administrative activities and who can serve as a conduit for meeting and achieving legal requirements. The competent PIT employee who is currently covering some of the administrative functions departs post mid 1986.

Administrative Secretary, Kampala, Uganda, 1 FSN. An administrative secretary is needed for the administrative officer and would perform the full range of secretarial duties, including: taking and transcribing dictation; typing all correspondence; maintaining all office files; screening telephone calls; scheduling visitors; maintaining appointment calendar; and controlling correspondence and documents requiring action. The secretary would perform all routine tasks to allow the administrative officer to concentrate on his overall management and supervisory responsiblities. The administrative section is an integral part of the mission operation and performs the full range of administrative support for the embassy, USIA, and USAID. By 1987, with a projected American complement of 28, and a related increase in FSN and contract positions, the overall workload of this position will increase dramatically. Only a position is being requested because these duties are being performed by a contract employee and sufficient funds will remain in the base to cover costs.

Administrative Secretary, Lilongwe, Malawi, 1 FSN and $13,000. An administrative secretary is needed to provide support to the Administrative Officer, the GSO, and the Budget Assistant. The Lilongwe Administrative operation, comprised of an Administrative Officer and a GSO, serves 28 Americans. The personnel assistant and procurement/voucher assistant have long shared this duty, but with additional positions added in 1985, a full time administrative secretary is now imperative.

Receptionist/Telephone Operator, Malabo, Eq. Guinea, 1 FSN. A full-time FSN receptionist/telephone operator is needed to: control all incoming and outgoing calls; access of all visitors to Embassy; and assist with minor secretarial and clerical tasks such as typing, controlling message boxes, bulletin board, and photocopying. In addition, the receptionist would provide increased security since there are no Marine guards stationed at the chancery. Only a position is being requested because these duties are being performed by a contract employee and sufficient funds will remain the base to cover costs.

Receptionist, N'Djamena, Chad, 1 FSN. A receptionist is needed to: handle official and unofficial visitor contact between Embassy and outside business and diplomatic communities; operate the switch-board; and direct a chancery char-force. Only a position is requested because these duties are being performed by a contract employee and sufficient funds will remain in the base to cover salary costs.

Administrative Secretary, Niamey, Niger, 1 American. An administrative secretary is needed to provide full-time support to Joint Administrative Office Director, Personnel office, and B&F office. The function has been filled by a PIT position, but the high volume of work generated, the use of classified documents and the required knowledge on administrative matters merit a full-time, rather than a part-time, secretary. Only a position is requested because these duties are being performed by an American PIT employee and sufficient funds will remain in the base to cover support costs.

Personnel Assistant/Travel Clerk, Maputo, Mozambique, 1 FSN and $12,000. A Personnel Assistant/Travel Clerk is needed to prepare all personnel related documentation, maintain a suspense file on the submission of FSN efficiency reports, prepare and log all GTR's, arrange for all official travel and assist travelers in obtaining foreign visas. The administrative secretary is currently handling these responsibilities at the expense of her primary duties.

Accounting Technician, Dakar, Senegal, 1 FSN and $18,000. An Accounting Technician is needed to serve as the B&F link between RAMC/Paris and serviced Embassies (Banjul, Bissau and Praia). The technician will: forward to RAMC advices of allotment; determine quarterly obligations for recurring costs; prepare telegraphic input messages, post all obligations and liquidations; complete vouchers and ensure they are correct for certification. This position is necessary to fulfill new Regional Budget & Fiscal Office status levied on the post by Washington and is mandatory if Dakar is to assume these responsibilities.

General Services Assistant-Procurement and Supply, Maputo, Mozambique, 1 FSN and $12,000. An FSN assistant is needed to assist the American GSO in procurement and contracting, supervise the embassy storekeeper in maintaining the warehouse and embassy supply/ inventory system, and coordinate all work orders with embassy maintenance contractors. The growth of embassy Maputo over the past 18 months without any increase in administrative support staff has resulted in crisis management. The situation will become more critical in 1987 with the arrival of still other agencies at post, expansion of AID and addition of a Marine Security Guard Detachment. The GSO unit will not be able to provide minimum acceptable support without the addition of another qualified individual to the unit.

Voucher Examiner, Kampala, Uganda, 1 FSN and $18,000. A Voucher Examiner is needed to examine invoices for accuracy and legality, prepare vouchers for payment with supporting documentation, compile statistical data and review oustStanding travel. Presently, the duties of this position are being performed by the FSN financial specialist, assisted by a contract employee (typist) on temporary loan from another unit. In addition, the Administrative Officer must spend an inordinate amount of time checking vouchers to relieve some of the burden from the budget analyst. This has resulted in a backlog in voucher processing, a subsequent backlog in the normal work of the financial specialist and a general sense of strain in the B&F unit.

Class B Cashier, Mombasa, Kenya, 1 FSN and $18,000. A Class B Cashier is needed to prepare local payment vouchers for processing by Regional Budget & Fiscal Office, Nairobi. None of the 3 FSN positions presently allocated to the Consulate (GSO Assistant, Consular Assistant and Driver) are appropriate for this function. The American staff of the Consulate is being increased over the next several months from 3 to approximately 15 and a cashier will be needed to handle the increased cash requirements. The present system of having post's American secretary designated as a subcashier to the Class B Cashier in Nairobi would not be able to meet the post's greatly increased cash handling requirements.

Budget and Fiscal Officer, Nairobi, Kenya, 1 American and $34,000. A B&F Officer is needed for the Regional Budget and Fiscal Operation (RBFO) located in Nairobi, Kenya, which provides B&F support to Nairobi and 11 serviced posts. The present staffing consists of 4 American budget officers responsible for certification and accountability for financial resources in excess of $34,000,000. Nairobi is the largest mission in East Africa with a total budget in excess of $13,000,000. AF recognizes the fact that Nairobi should be independent of the RBFO operation and stand-alone based upon the size of the mission, but this arrangement is impossible with only four authorized positions. The authorization of an additional position will definitely alleviate most of the obstacles stated above by reducing the number of serviced posts per man and allowing time to improve the quality of the end product.

Accounting Technician, N'Djamena, Chad, 1 FSN and $18,000. An accounting technician is needed to maintain internal accounting systems for State program and FAAS allotments, USIS, Defense Attache Office and other agency accounts as required. Requirements of this position are currently being served by the B&F supervisor. However, the increased workload and the variety and scope of other duties required of the supervisor make it mandatory that a full-time accountant takeover this part of the B&F operation. A steadily increasing number of overtime hours are becoming necessary in order to carry out the functions of this office due to increased number of vouchers processed, additional time to process payments, and manula preparation of current workloa elements. Increased workload demands have lowered productivity levels for the budget & fiscal supervisor.

Budget and Fiscal Supervisor, Nouakchott, Mauritania, 1 TCN and $27,000. A B&F Supervisor is needed to: prepare Budget Plans for bureau and FBO; develop all FAAS documents for the department and the other agencies; develop 6 mid-year financial plans for the various allotments; develop recurring expenses and quarterly financial plans; maintain utility spread sheets for each house and office for verification of usage and proper payment of bills; prepare vouchers for payment in the regional B&F office; analyze the RAMC reports for correctness of obligations and liquidations; develop internal controls to verify travel payments, advances and allowance payments; and monitor price increases for quarterly price increase reporting.

Budget and Fiscal Analyst, Praia, Cape Verde, 1 FSN. A B&F Analyst is needed to: prepare data for post's annual budget; maintain cuff records for post allotments; prepare required budget & fiscal reports; act as alternate Class B Cashier; and compute field travel claims; and maintain filing system. Only one FSN position is requested because these duties are being performed by contract employees and sufficient funds will remain in the base to cover the costs.

Personnel Clerk, Kampala, Uganda, 1 FSN. A Personnel clerk is needed to provide personnel support to the mission complement of 309 employees including the preparation of time & attendance records and personnel actions. The personnel clerk would provide the continuity to the Personnel Office which has always been staffed by PIT employees. Only one FSN position is being requested at this time because these duties are being performed by a contract employee and sufficient funds will remain in the base to cover the salary costs.

General Services Officer, Antananarivo, Madagascar, 1 American and $40,000. A General Services Officer is needed to: handle leasing for the Embassy, USIA, AID, and Defense Attache Office; supervising embassy and other agency residential maintenance; vehicle maintenance; and all phases of procurement and warehousing, transportation of personnel and effects. As relations with Madagascar continue to improve, the U.S. presence in Antananarivo has grown at a rate where the single Administrative Officer cannot be expected to fully handle the Administrative operations. With the recent opening of an AID Mission, Administrative demands have already increased significantly. By adding a GSO Officer, the Administrative Officer will be able to concentrate on important security requirements, budget and fiscal, and personnel matters.

General Services Officer, Bangui, Central African Republic, 1 American and $82,000. A General Services Officer is needed in Bangui to provide management direction to all aspects of the General Services unit by: establishing work goals priorities; maintaining contact with other officials at mission to resolve problems that occur in wide range of general services functions; directing the property and supply functions; directing all aspects of procurement/contracting which included negotiating with officials and local businesses for public utilities, construction, procurement, sales of USG property, maintenance services, transportation; and developing programs for care, maintenance and repair of all government-owned and leased real property and non-expendable property.

GSO Assistant, Bujumbura, Burundi, 1 FSN. A GSO Assistant is needed to control all maintenance and minor construction projects performed by GSO employees and to supervise construction and renovation work performed by contractors. An FSN position is being requested because these duties are being performed by a contract employee and sufficient funds will remain in the base to cover salary costs.

Procurement Clerk, Addis Ababa, Ethiopia, 1 Contract FSN and $13,000. A Procurement Clerk is needed to accommodate anticipated 1987 workload increases. Based on the 28.6% increase in the official American population supported in Ethiopia, a 4.57 increase in workyears is estimated for this administrative function.

General Services Supervisor, Cotonou, Benin, 1 FSN. A GSO Supervisor is needed to: direct the receipt, storage, issuance of expendable supplies and general operation of warehouses and stockroom; perform periodic inventories of all office, residence, and warehouse space; determine condition of household/office furniture; supervise maintenance of buildings, grounds and embassy equipments; direct shipping sections and oversees customs clearance unit; and supervise motor vehicle maintenance and operation of motor pool. The current assistant GSO is on a one-year contract. There is no assurance that this contract can be extended or an individual will be found to fill this position. Without the requested FSN position, the workload would fall on an already overworked Administrative Officer, at a time when a new chancery will open, a Marine Detachment activated, and a new Economic officer position filled.

General Service Officer, Djibouti, Djibouti, 1 American and $70,000. A General Services Officer is needed to serve as Chief of the General Services unit and be responsible for managing widely dispersed physical resources and a complex variety of logistical functions. These functions include property and supply, procurement and contracts, leasing and maintenance of real property, shipping and transportation, customs clearances, and support of the employee association. The number of American personnel at post is expected to increase from 13 to 25 by 1987. The GSO section is already overwhelmed with current requirements and will require a GSO in 1987 to manage the increased demands.

Customs/Shipping Clerk, Harare, Zimbabwe, 1 FSN. A Customs/Shipping Clerk is needed to prepare and type documentation and other paperwork for incoming and outgoing shipments of private and USG property and expedite customs clearances and secure host government approvals for such shipments. The work is currently being completed under contract, but it has been difficult for the Embassy to obtain a capable worker under this arrangement since direct control over the recruitment and selection of the individual is not given to the Embassy. Only a position is being requested because these duties are being performed by a contract employee and sufficient funds will be available in the base to cover salary costs.

General Services Officer, Libreville, Gabon, 1 American and $33,000. A General Services Officer is requested in ordder to : have the responsibility for contracting services, care and maintenance of properties owned or leased by the U.S. Government; monitor the procurement and distribution of supplies, equipment and furnishings for office and residence; clearance of personal, household effects, automobiles, and supplies and equipment; sale/disposition of surplus properties, packing and shipping of household and other effects; purchase/rental of properties, warehousing; stock records; inventories; government vehicles; travel and transportation services, preparation of preliminary maintenance and repair budget estimates and justifications, and preparation of specifications, issuance of bid invitations analysis of bids and awarding of contracts. These responsibilities cannot be fulfilled with one existing Administrative Officer.

General Services Secretary, Lusaka, Zambia, 1 FSN. A secretary is needed to perform clerical and administrative support tasks for the General Services Office, including: typing; screening visitors and telephone callers; providing essential information of general questions; and maintaining all GSO files. This work is now performed by an American dependent on a PIT appointment who regularly works over 40 hours per week. The post has grown significantly in terms of the number of GSO projects, which results in the increased need for clerical assistance. Only one FSN position is requested because these duties are being performed by a local PIT employee and sufficient funds will remain in the base to cover salary costs.

Motor Pool Assistant, Lusaka, Zambia, 1 FSN. A Motor Pool Assistant is needed to plan, direct and coordinate the use of motor vehicles and drivers in order to provide efficient transportation service for the Embassy. This would include the following: completion of records and reports; coordinating maintenance; establishing work schedules; coordinating drivers' safety and training programs; preparation of Departmental and post required reports; logistical support of special delegations and day to day management of vehicle usage. Control of the vehicle fleet is critical to successful operation of post as official travel and transportation requirements are heavy. Only one FSN position is requested because these duties are being performed by a contract employee and sufficient funds will remain in the base to cover salary costs.

Maintenance Supervisor, N'Djamena, Chad, 1 FSN. A Maintenance Supervisor is needed to: direct buildings, grounds and equipment maintenance; supervise a multi-trade workforce of more than 50 workers; assign work orders; and ensure work is completed in a satisfactory manner. Only one FSN position is being requested because these duties are being performed by a contract employee and sufficient funds will remain in the base to cover the salary costs.

Customs Expediter, N'Djamena, Chad, 1 FSN. A Customs Expediter is needed to clear incoming and outgoing shipments of all goods and supplies destined to/from agency/mission personnel. Only one FSN position is being requested because these duties are being performed by a contract employee and sufficient funds will remain in the base to cover salary costs.

Storekeeper, N'Djamena, Chad, 1 FSN. A Storekeeper is needed to: operate non-expendable property warehouse; issue and receive non-expendable property; conduct residential and office inventories; and supervise a labor force of 10 employees. Requirements for a sound property management in the prevention of waste and mismanagement dictate that this function be performed by an FSN who is directly accountable to the embassy. Only one FSN position is being requested because this function is being performed by a contract employee and sufficient funds will remain in the base to cover the salary costs.

Purchasing Agent, N'Djamena, Chad, 1 FSN. A Purchasing Agent is needed to purchase all GSO/Admin/RSO supplies. The most important requirement of this position is excellent knowledge of the economic conditions of the local market. These services are currently provided by a contractor. An increasing amount of his time is now spent procuring for other post agencies. FSN designation would provide reportable data justifying spreading of position costs more equitably to other agencies with less administrative time spent on determining direct charges to the serviced agencies. Only one FSN position is being requested because this function is being performed by a contract employee and sufficient funds will remain in the base to cover salary costs.

Procurement Clerk, N'Djamena, Chad, 1 FSN. A Procurement Clerk is needed to prepare procurement related documents. Only one FSN position is being requested because this function is being performed by a contract employee and sufficient will funds remain in the base to cover salary costs.

General Services Clerk, Pretoria, South Africa, 1 FSN and $18,000. A General Services Clerk is requested for: receiving, packing, and shipping supplies for the Regional Office of Communications staff (ROC); drafting messages pertaining to shipments; organizing and maintaining stock in the ROC warehouse; serving as a messenger for unclassified mail between the ROC building and the Embassy building; and assisting technicians in refurbishing equipment to be placed back in stock. These functions are vital to the administration of the communications staff, but have not been fulfilled because of the insufficient staffing.

Bureau of Near Eastern and South Asian Affairs, 19 Positions (4 Americans, 15 FSN) and $133,000

Budget and Fiscal Officer, Algiers, Algeria, 1 American and $23,000. With the growth the Embassy has experienced in the past two years and that which is projected for FY-87, the Budget and Fiscal Section will be unable to function effectively without a resident American Budget and Fiscal Officer. The FY-84 American State complement was larger than the combined complements of State and the serviced agencies in FY-82. In FY-85 it is even larger. State/Agencies complement is 42 percent larger than it was in FY-82. The number of serviced agencies is more than 150% greater than in FY-82. The number of allotment/accounts in FY-81 was 11, totalling $2,885,887. At present the account load is 20, totalling more than $6,000,000. Obligations established increased from 2,036 in FY-81 to 3,500 for FY-84 with a similar increase in vouchers processed. Currently, the Budget and Fiscal Officer in Tunis has responsibility for covering Algiers. Since the post has grown so much and become so complex a resident Budget and Fiscal Officer is required to devote proper attention to managing the posts fiscal affairs. At present, the Administrative Officer must spend so much time on Budget and Fiscal matters that his other responsibilities suffer.

Administrative Officer, Dubai, United Arab Emirates, 1 American and $12,000. The Embassy Branch Office in Dubai was upgraded to a Consulate General in September, 1985. Therefore, a full time American administrative position dedicated to Dubai is requested to handle increased administrative requirements for the CG.

Administrative Secretary, Islamabad, Pakistan, 1 American and $6,000. Presently, secretarial services for the entire administrative section are provided by the RSO's secretary. That is no longer workable because this secretary's workday is completely taken up with security support for 13 agencies and four posts in a country with an active security threat. The amount of classified administrative work, other than security-related, has increased to the point where a full-time secretary is needed. The present stopgap procedure of imposing on secretaries in other sections or officers providing their own secretarial support are inconsistent with good management and the need for fast action.

General Services Officer, Kabul, Afghanistan, 1 American and $13,000. Kabul has only one American in its Administrative Section, the Administrative Officer. Originally, there was also a Security Officer assigned. Another American position could not be requested to assist with the GSO work because of the limitation of 20 Americans imposed by the Afghans. There was no contract services available in Kabul, therefore, it was necessary for the Security Officer to act as GSO in addition to his other duties. Since the Security Officer position was abolished upon the termination of assignment, we propose to add a GSO position without exceeding the staff ceiling. This position is a critical need because the U.S. Government owned properties in Kabul are in need of maintenance, repairs and renovation.

Receptionist, Baghdad, Iraq, 1 FSN. The receptionist at the entrance to the chancery is responsible for the control and inspection of persons and materials entering and leaving the chancery. These services are now being provided by an employee on detail from the consular section. Consequently, the the consular section has had to hire a PIT employee in hopes that the employee now serving as receptionist would eventually return to permanent duty in the consulate. However, until a position is authorized for a receptionist, this employee must continue in this capacity. The post does not have any other FSN employee to assist with access control therefore, this new position is requested. The funds that are now used to pay for a contract employee will be used for the support costs of this new position.

Mail Clerk, Baghdad, Iraq, 1 FSN and $13,000. Currently, the only FSN staff assigned to the CPU is a telephone operator. CPU personnel resources are stretched to the limit. American personnel handle unclassified pouch work at a post where the refusal of the host country to allow the importation of modern terminal equipment also requires that telegraphic traffic be processed manually. This situation has limited unclassified pouch dispatches to once a week. Nevertheless American overtime results from the time which must be spent processing unclassified communications. Lack of a reproduction operator has required the use of high-cost photocopying in cases where a less expensive process would have been more appropriate. Failure to establish this position will result in continuing inefficiencies of this nature.

Travel Clerk, Baghdad, Iraq, 1 FSN and $13,000. At present there is no travel clerk in Baghdad mission. Travel duties are haphazardly shared among four GSO FSNs. In the past few years there has been a substantial increase in workload with respect to travel, particularly in handling TDY travelers. Unfortunately, FAAS statistics reflect only the travel orders issued by the post. The large number of TDY travelers do not appear in the statistics. Making travel arrangements in Baghdad is a complex matter because hotels require both a letter and a telex for reservations; air reservations may not be made by telephone; actual air schedules are not printed in the standard reference works; arrival and departure times even for frequently delayed or cancelled flights are not given over the telephone; certain flights are booked up to two months in advance; commonly used US air tickets are not accepted in Baghdad and travel permits must be submitted seven working days in advance for travel out of Baghdad.

Mailroom Clerk, Colombo, Sri Lanka, 1 FSN. Currently the mailroom has 3 contract mail clerks and one contract messenger. This request is for the conversion of one of the contract positions to direct hire because the incumbent has access to and control over American incoming letter and package mail. The Embassy would prefer to have an FSN in the position because such an employee would have a vested interest in a continuing, long-term career with the U.S. Government. The incentive to divert package mail is much less when the incumbent has valuable career benefits which might be lost. The funds that are now used to pay for a contract employee will be used for the support costs of this new position.

Travel Clerk, Abu Dhabi, United Arab Emirates, 1 FSN and $17,000. The Embassy staff increased from 49 Americans and FSNs in 1982 to more than 65 at the present time. With these increases, the post is unable to provide adequate services to meet current needs. With the arrival of a military training team of some 20 persons for whom travel services must be provided, it will become impossible to handle the workload without an additional position.

Chauffeur, Dubai, United Arab Emirates, 1 FSN and $12,000. With the upgrading of the post from Branch Office to Consulate General, a chauffeur will become essential to operations. Abu Dhabi cannot continue to send one of its three drivers to provide official transportation for permanent, full time personnel assigned to Dubai.

Supply Clerks, Sanaa, Yemen, 2 FSNs. This is a request for the conversion of contract employees. These positions are vital for proper record keeping for expendable and non-expendable supplies for which the latest inventory values exceed $1,500,000 for State alone. Given this major responsibility for valuable property and supplies, these positions require direct hire status. The funds that are now used to pay for two contract employees will be used for the support costs of these new positions.

Warehouse Foreman, Sanaa, Yemen, 1 FSN. This is a request for the conversion of a contract employee. The incumbent supervises a three man crew of warehousemen. He is given daily instructions on the movement, disposition, unpacking, storing, etc. of expendable and non-expendable supplies. He arranges for vehicles, assigns personnel to specific tasks and provides on-site monitoring of the activities. Given the responsibility of the position, the warehouse foreman should be a direct-hire employee. The funds that are now used to pay for a contract employee will be used for the support costs of this new position.

Financial Clerk, Amman, Jordan, 1 FSN and $10,000. Since 1980, budget and fiscal activities have increased commensurately with the increase in the size of the post. Three new agencies started-up in Amman and an additional four new State positions were established during this period. There was a 137% increase in the number of obligations established and an 85% increase in the number of vouchers processed. Although the workload more than doubled, the B&F staff only increased from five to seven FSNs and they are hard pressed to provide the necessary services at this expanding post. Therefore, an additional financial clerk position is requested to handle the increased budget and fiscal workload in Amman

General Services Assistant, Amman, Jordan, 1 FSN. This contract employee assists in the procurement of all required items for 130 mission employees from six agencies. He selects vendors and uses cost efffective management techniques to make the best use of post funds. He provides daily detailed oversight on compliance for cleaning, maintenance and warehouse contracts. These are the kind of functions which should be performed by a direct-hire FSN whose primary loyalty is to the U.S. Government. Therefore, it is requested that a position be authorized to enable a conversion to direct hire. The funds that are now used to pay for a contract employee will be used for the support costs of this new position

Telephone Operator, Islamabad, Pakistan, 1 FSN. This position request is for a contract conversion. There are presently a total of four employees working the switchboard at the Embassy in Islamabad. Threre are direct-hire and the fourth is a contract employee. The Embassy does not foresee any reduction in the workload which would enable it to dispense with the services of the contractor. Therefore, it is requested that a position be authorized to enable a conversion to direct hire. For security reasons, telephone operators should not be contract employees. The funds that are now used to pay for a contract employee will be used for the support costs of this new position.

General Services Secretary, Islamabad, Pakistan, 1 FSN. The incumbent is the secretary to the American GSO. She types telegrams, memos, special reports, contracts, etc. She receives and distributes mail, telegraphic traffic, answers and places telephone calls, receives visitors, etc. An employee in this type of position, who has access to the Embassy premises and can observe the identity of visitors, should be direct hire rather than contract. The funds that are now used to pay for a contract employee will be used for the support costs of this new position.

Purchasing Agent, Karachi, Pakistan, 1 FSN and $7,000. Karachi is the commercial center of Pakistan and other posts in the country make numerous requests of the Consulate General's procurement staff. Thus, as the number of agencies and personnel increase at other posts, so does the workload increase for Karachi's procurement section. Items which are not available elsewhere in the country can usually be obtained in Karachi. At present FSN personnel involved in procurement work long hours of overtime on weekends and holidays and forfeit annual leave. Therefore, an additional position is requested for this function in Karachi.

Shipping Clerk, Karachi, Pakistan, 1 FSN and $7,000. In the past, a shipping clerk has been able to undertake the duties of airport travel expeditor and customs clearance in addition to his shipping functions. However, the workload has increased over the years as have the Pakistani customs formalities. Now, this employee regularly works in excess of 65 hours per week and still does not have time to fulfill all his functions. A shipping clerk position is requested to undertake the shipping duties so that the present incumbent may continue as airport expeditor, which in itself is more than a full time job.

Bureau of East Asian and Pacific Affairs, 14 Positions (6 Americans, 8 FSNs) and $469,000

Secretary, Shanghai, China, 1 American and $88,000. The Consulate General in Shanghai, which presently has one secretary to cover 9 officers, is faced with the urgent need for a second secretary. It is inefficient to rely on the availability of qualified spouses to serve as PIT secretaries when coverage is required on a full-time basis. In order to avoid this ad hoc approach, an additional secretary is required to support the Administrative, Consular and Economic sections.

Administrative Secretary, Jakarta, Indonesia, 1 American and $58,000. This position is currently filled by a PIT employee. This secretary in the Administrative section is required to handle classified and extremely sensitive documents and, as such, we are unable at times to acquire a PIT secretary with the property security clearance. This creates a backlog in the section which affects all post operations. A full-time, American secretary is needed to ensure adequate secretarial support.

General Services Officer/Communicator, Port Moresby, Papua New Guinea, 1 American and $78,000. In 1987, the GSO program will expand due to the doubling of post leased units and the initial stages of constructing the new chancery. The curent situation in the Communications Unit is unsatisfactory; Without a back-up communicator, the Communications Officer is on call continuously, cannot participate in non-pro courier pouch runs, and any leave taken causes serious disruptions in the unit's operations. Similarly, the GSO duties are being shared with the Consular officer and serious gaps result when the Consular officer is travelling or has other commitments. An additional General Services Officer/Communicator is needed to ensure adequate coverage within the Administrative Section and Communications Unit, especially given the time consuming nature of chancery construction and leasing arrangements programs.

Assistant Property Maintenance Officer, Manila, Philippines, 1 American and $73,000. The post presently supports 220 leased properties, four compounds and is now faced with a major renovation of the chancery as well as implementation of security enhancement projects that will require more attention than the Property Maintenance Officer could handle in an effective and efficient manner. In order to cope with this situation, an American assistant is needed to ensure adequate coverage of this expanded program and oversight of the substantial USG investment at this post.

Secretary, Manila, Philippines, 1 American and $70,000. This function is currently covered partially by a PIT employee. The increased workload in this section comprised of 16 Americans and FSNs has exceeded the level of services which can be provided by a PIT employee. An American secretary is needed to deal with the increasing administrative workload and with sensitive matters which could not be performed by a PIT or FSN because of the security clearances required.

Administrative Assistant/Secretary, Udorn, Thailand, 1 American and $49,000. The Udorn Consulate, a rapidly growing post, has an urgent need for an American secretary. The post is now served by a PIT secretary but the Principal Officer has been required to perform clerical duties so that the post can operate. Having a full-time secretary would enable the Principal Officer to devote more of his time to substantive and representational duties.

Electrician, Canberra, Australia, 1 Contract FSN and $22,000. Funds are requested to contract for the services of an FSN electrician. As a result of a 65% increase in leased property and a 71% growth in work orders for electrical services, there is a clear need for a contract electrician.

General Services Clerk, Bandar Seri Begawan, Brunei, 1 FSN. In order to maintain the many facets of GSO operations of the post, a full-time FSN General Services clerk is needed in place of a PIT employee. The level of GSO operations will increase in the future as the post becomes more established. Only a position is being requested because these duties are being performed by American PIT employees and sufficient funds will be available in the base to cover the FSN's salary.

Administrative Secretary, Suva, Fiji, 1 FSN. The growth and expanding reporting requirements of post require an FSN secretary to provide local liaison with government officers and to carry out the large volume of unclassified typing and filing related to the DCM's management responsibilities for AID projects, Peace Corps and U.S. Navy activities. The Ambassador's secretary is already fully employed and cannot assume additional duties which are increasing as the mission continues to grow. A PIT secretary has been assisting the post but only a full-time FSN can provide adequate coverage. Only an FSN position is being requested because these duties are being performed by American PIT employees and sufficient funds will be available in the base to cover the FSN's salary.

Supply and Procurement Assistant, Suva, Fiji, 1 FSN. A full-time FSN is needed to procure expendable and non-expendable supplies and equipment and to perform supply clerical tasks in an effective and efficient manner. These functions are being performed partially by an FSN PIT employee. The workload associated with the GSO function hs increased to the point that full-time assistance is necessary to provide adequate service and control. Only an FSN position is being requested because these duties are being performed by American PIT employees and sufficient funds will be available in the base to cover the FSN's salary.

Administrative Clerk/Receptionist, Osake-Kobe, Japan, 1 FSN and $20,000 A post-designed public access control system is being installed in the office lobby and a receptionist-clerk typist is needed to monitor the visitors and the system. This receptionist will be bilingual in order to assist visitors and confirm appointments. This position is needed to avoid having employees leave their offices to deal with visitors in a less-than bilingual fashion. Also, direct control in monitoring visitors is essential to post security.

Maintenance Worker, Port Moresby, Papua New Guinea, 1 FSN and $11,000. Much of the post's maintenance work is done under contract which is extremely expensive. Serious delays and unsatisfactory work due to inexperienced personnel have often occurred. Embassy personel are continuously involved with routine phone calls for maintenance work thereby causing delays in their own specific areas. An FSN Maintenance Worker is needed to resolve this situation and to alleviate unnecessary workload already levied on the Embassy personnel.

Communications Assistant, Bandar Seri Begawan, Brunei, 1 FSN. A full-time communications assistant is needed to adequately cover the communications support function. The post's need for communications services have increased commensurate with the increase in communications traffic and, as such, a PIT employee cannot provide adequate support. Only an FSN position is being requested because these duties are being performed by American PIT employees and sufficient funds will remain in the base to cover the FSN's salary.

Communications Assistant, Sohngkhla, Thailand, 1 FSN. Songkhla's communications telegraphic program requirements are shared between six U. S. personnel and one FSN contract employee. The radio operator function is an integral part of the Consulate's operations and should not be carried out on an ad hoc basis. A communications assistant dedicated to radio teletype and telegraphic communications is needed. Also, the FSN would assist in clerical and administrative functions where support is lacking at this time. Only an FSN position is being requested because these duties are being performed by a contract employee and sufficient funds will remain in the base to cover the FSN's salary.

Telephone Technician, Bangkok, Thailand, 1 FSN. The FSN telephone technical staff of only two persons can barely meet minimum operating requirements. One additional technician is needed to assist in servicing the USG-owned 1500 line telephone network throughout Bangkok; performing telephone upgrade surveys; and ordering pertinent materials. Only an FSN position is being requested because these duties are being performed by contract employees and sufficient funds will be available in the base to cover the FSN's salary.

Bureau of Inter-American Affairs, 14 Positions (5 Americans, 9 FSNs) and $296,000

Asstistant Administrative Officer, San Jose, Costa Rica, 1 American and $25,000. American personnel serviced at this post has increased from 84 to 149 over the past two years. With FSN's included, the total number of employees surpass 500. This officer will provide oversight in the personnel function and relieve the Administrative Counselor of the day to day supervision of the General Services and Budget and Management units. Central America is an area of high visibility and activity. Indications are that the area, including Costa Rica, will receive more attention and resources than any time in recent history. While terrorist activity continues to threaten American lives in the area, the Department must focus on the way and means to lessen the risk to our personnel serving in Costa Rica. This position will free up time for the Administrative Counselor to devote more time to those issues.

Procurement Clerk, Nassau, The Bahamas, 1 FSN and $36,000. Procurement workload has doubled in the past year. With the increased number of employees to support it is anticipated that workloads will increase from 100% to 400%. The TDY personnel at post demand a greater than normal amount of support time because of the large turnover. There are an average of 60 employees at post all the time, with a normal TDY period of 60 days..

General Services Officer, Paramaribo, Suriname, 1 American and $45,000. The post's population has doubled since 1982 and the guard force has quadrupled since 1980. Given this, a dire need exists for supervision of the guard force, an expanded residential housing program, procurement operations, and a motor pool operation which has increased five-fold since 1982.

Warehouse Supervisor, Panama, Panama, 1 FSN. The greatly expanded short term lease program has placed inordinate demands on the post's ability to store and retrieve non-expendable property. The numbers of shipments increased 81 percent between FY 1979 and FY 1984. American staff increased 33 percent between FY 1978 and FY 1985, yet the number of FSN employees has remained at 3 since FY 1978. Given that this function is a government function currently being performed by a contract employee, it is essential that it be converted to direct hire.

Warehouse Supervisor, San Salvador, El Salvador, 1 FSN and $10,000. Several years ago the Embassy began providing government-leased and government furnished quarters. The number of leases increased by 600%, from 13 in 1980 to 91 in 1985. Inventory to accommodate these residences is currently estimated at $1,350,000. Additionally, the mission has a large off-site warehouse several miles distant from the chancery compound which requires a permanent FSN to manage and supervise a crew in the control of this very portable material. The large and increasing warehouse inventory necessitates a need for a permanent FSN to be responsible for the above tasks and more importantly one individual who can be held accountable for the warehouse inventory.

Secretary, Santo Domingo, Dominican Republic, 1 American and $25,000. Additional secretarial support services for the medical unit are required to allow for support in the typing of classified material, handling of classified correspondence, as well as processing of medical restricted data for the regional medical officer (RMO). This position would also serve as back-up to the executive, political and economic sections, as recommended in the February 1984, S/IG Conduct of Relations Report. The RMO now covers more posts (13), is seeing 50 percent more patients than the previous RMO, and is performing end-of-tour physical examinations that were not performed by previous RMO's. These additional responsibilities generate more paper work and record keeping. The RMO's office is currently typing a minimum of eight cables and memos daily, is transcribing notes on patient charts on all patient visits, is transcribing reports on all regional visits, as well as filling out employees' medical reports.

Maintenance Supervisor, Quito, Ecuador, 1 FSN. This function is presently being performed under contract. As maintenance supervision is a government function, this position is mandated to be converted to a full-time employee. The funds that are now used to pay for a contract employee will be used for the support costs of this new position.

Secretary, Paramaribo, Suriname, 1 FSN and $16,000. This function is currently performed by short-term contractual arrangements on an as needed basis. These arrangements are now in effect almost full-time. This is a government function and should not be performed by contractors. The establishment of a position will permit a more efficient office arrangement. As the secretary gains experience, routine tasks that the Administrative Officer is currently doing can be accomplished by this individual, allowing for the Administrative Officer to concentrate on the more complex issues of the day.

Payroll Liaison Clerk, Tegucigalpa, Honduras, 1 FSN and $13,000. The U.S. staff for State has increased from 39 in 1983 to 57 in 1985 while the FSNS increased from 55 in 1983 to 59 in 1985. This position will serve as the principal liaison person for State, USIA, Peace Corps, Milgroup, DAO and APHIS, maintaining communication with Washington Finance Center on pay, leave allowances and other compensation matters for U.S. and Foreign Service Nationals and prepares data for transmission to WFC. The constant increase in numbers and complexity of the U.S. presence in the country accelerated demands for the service provided by the present direct hire staff of the B&F branch.

Administrative Officer, Martinique, French West Indies, 1 American and $25,000. The Vice Consul has been assigned as full time administrative officer even though consular work requires full-time attention. The increase in consular workload prohibits him from devoting sufficient time to administration. This Officer will supervise approximately 40 FSN and contract employees. Martinique is a high threat post and attention must be given to security activities for the foreseeable future.

Warehouse Supervisor and Warehouseman, Tegucigalpa, Honduras, 2 FSNs and $38,000. In FY 1985, 589 receiving reports were issued in comparison with 738 for the entire previous year, FY 1984. This increase of 60 percent, does not include shipments for security projects which have been handled and transferred immediately to the RSO for accountability and receiving. It is vital to post property management operations to maintain a responsive and accountable physical property control and handling function. Without these positions, the property unit will not be able to provide receiving, warehouse, and delivery services at the volume necessary to meet current or future requirements.

Regional Administrative Officer, Santo Domingo, Dominican Republic, 1 American and $25,000. This officer, under the guidance of ARA/EX, will head up a complete regional administrative team based in Santo Domingo and will be responsible for directing the activities of a regional GSO, Personnel Officer, Budget and Management Officer and Regional Systems Officer. Given the low grades of the administrative positions and a high concentration of first tour officers in the Caribbean, ARA is not attracting the caliber officer needed to adequately manage administrative operations. Consequently, a need exists for the review of operations and on-the-job training for staff. This endeavor will permit a quick response to a post that requests assistance and should result in better financial reporting throughout the area. The Bureau is presently unable to provide on site assistance when needed. The training, especially for FSNs will provide long term benefits as they learn the correct ways to carry out their duties, i.e. proper procurement methods, and voucher preparation.

Voucher Clerk, Nassau, The Bahamas, 1 FSN and $38,000. This position is required to perform various B&F functions that were previously accomplished by 2 FSNs. With the voucher workload increase of 71% since 1983, it now requires the full-time services of one employee just to manage the vouchers.

Bureau of European and Canadian Affairs, 32 Positions (8 Americans, 24 FSNs) and $933,000

Work Order Clerk, Brussels, Belgium, 1 FSN and $26,000. With constant FSN staffing between 1980 and 1985, workload increased dramatically in STL (Short-Term Lease) Buildings Operations. Workload jumped 56.8 per cent, from 250,059 to 392,095 STL square feet serviced (mainly due to occupation of the new STL JAS Building). This subfunction previously required 11.19 staff-years of FSN personal service support; the workload increase accordingly accounts for 6.36 additional staff-years.

General Services Assistant, Copenhagen, Denmark, 1 FSN and $37,000. With constant FSN staffing between 1980 and 1985, workload increased in Procurement, Supply & Shipment services. Procurement workload increased 154.2 per cent, from 199 to 506 purchase orders, bids & contracts executed. Supply workload has increased 126.2% (88.7% adjusted for inflation), from $14,149 to $32,018 for supplies issued.

Administrative Specialist, USNATO, Brussels, 1 American and $34,000. With an 18% increase in American Staffing (145 to 171 employees) among 13 different USG agency elements between 1980 and 1985, and intensification of USG involvement with NATO, workload has increased in all administrative areas from 10% to 80%. Specific workload increases include: Support services for VIP visitors (up from some 2,600 in 1980 to over 5,000 in 1985); State/DOD representation; coordination of security activities; oversight of personnel evaluation activities for State and DOD; and multiple S&E funds control activities normally associated in other countries with large constituent posts. Currently, the two administrative officers (one Army and one State) are not able to keep current. There is also occasional PIT employment as well. USNATO is able to make only minimal use of the Embassy's administrative organization because of their remote location from the Embassy.

Telephone Operator, USNATO, Burssels, 1 American and $26,000. Since 1967, USNATO had relied for telephone support entirely on the NATO switchboard. In October 1984, however, the Mission completed installation of its new computerized MITEL EAPBX switchboard which allows for more secure cost effective telephone communication through use of USG leased lines and direct-dial facilities. The new system requires the Mission switchboard to operate independently of the NATO system. USNATO has accordingly employed resident American citizen telephone operators on a temporary basis. Since this is a Government function and security considerations preclude employment of FSN personnel at USNATO, this position is requested.

Shipment/Customs Assistant, Brussels, Belgium, 1 FSN and $27,000. With constant FSN staffing between 1980 and 1985, workload increased in Shipment/Customs Processing services 165.3 per cent, from 1,142 to 3,030 shipments processed. This subfunction previously required 4 staff-years of FSN personal service support; the workload increase accordingly accounts for 7 additional staff-years. Approximately one staff-year of this has been absorbed through a re-alignment of responsibilities. Another staff-year was offset in FY 1985 through creation of a new DAS position, leaving unsupported workloads corresponding to 5 FSN staff-years. Commercial contractors have picked up about three staff-years of shipping, packing and customs handling workload. This position is needed to provide for customs certification and liaison purposes, as well as for supervision of commercial contractors.

Electronic Control Systems Engineer, Bonn, Germany, 1 FSN and $36,000. This position is requested to provide supervision of the operation, maintenance and repair of the Automated Buildings Operations systems. Bonn's new integrated computer-controlled Fire Detection/Suppression and climate control systems are entirely new systems, the operation and M&R of which will require engagement of a substantial new commercial contract work force. This position will be directly responsible for: oversight of preventive and emergency maintenance of these systems; training of Marine Security Guards and contract guards; and coordination of other related Buildings Operations and technical security installations. In addition, the incumbent will be expected to develop minor design modifications to both systems as required by changing circumstances.

General Services Officer, Rome, Italy, 1 American and $36,000. With 1985 American GSO staffing equal to 1980 levels, workload has increased in Procurement & Buildings Operations services. In particular, Short-Term Leased (STL) residential Buildings Operations workload has increased 131.5 per cent, from 111,633 to 258,390 square feet serviced. Procurement workload is up by 23.5%, from 3,892 to 4,809 procurement actions executed.

In addition to the above workload increases, there is a new $200,000 annual commercial maintenance contract that requires a considerable amount of American attention to administer. The new Embassy to the Vatican further impacts on the American workload.

Budget and Fiscal Assistants , Stockholm, Sweden, 2 FSNs and $42,000. Workload increased in Accounting, Disbursing and Voucher processing services while staffing remained constant between 1980 and 1985. Accounting workload increased 11.6 per cent, from 5,584 to 6,594 obligations established. Voucher workload simultaneously grew by 81.6%, from 2,288 to 4,156 vouchers processed. Finally, disbursing workload increased by 151.1 per cent, from 778 to 1,954 payments processed. This subfunction previously required 1 FSN staff-years of support; the workload increase accordingly accounts for 2 additional staff-years.

Voucher Examiner, Ankara, Turkey, 1 FSN and $14,000. Workload has increased significantly in both the Accounting and Voucher subfunctions from 1980 to 1985. Obligations established increased 41.3%, from 8,534 to 12,064 and vouchers processed grew 58.1%, from 5,896 to 9,322. The current B&F staff consists of 7 State funded and 6 non-State funded positions. An analysis of the B&F section shows that State generates 69% of the accounting workload and 52% of the voucher workload. Therefore, this position is needed to provide additional support to the B&F section.

Administrative Officer, Vancouver, Canada, 1 American and $36,000. This position was abolished as part of the FY 1981-82 position reduction program. With growing American (from seven to ten employees) and FSN (from 17 to 22 employees) staffing among six USG agencies between 1980 and 1985, workload has increased in all administrative subfunctions. From the time this position was abolished in FY 1982, the Consulate attempted to offset its loss through delegation of increased authority to a senior FSN Administrative Assistant, envisaging that the post Econ/Commercial Officer would spend roughly 5-10% of his time on administrative duties which must, by regulation, be carried out by an American employee. This officer is now spending 80% of his time on administrative matters. His normal substantive work is not receiving the proper level of attention because of the administrative demands. On top of this the Administrative Assistant is retiring in 1986.

General Services Officer, Nicosia, Cyprus, 1 American and $32,000. The General Services Officer (GSO) position was abolished subsequent to the Turkish invasion of Cyprus in 1974. His duties were assumed by the B&F Officer. The size of the mission has grown nearly fourfold since then. The post lost its B&F Officer to the position reduction program of 1981-82. As a result of these reductions, the Administrative Officer is the only American in administration. There is a Security Officer but his workload prohibits him from assisting in this area.

Additionally, an American GSO is needed because a new Chancery is under construction and is scheduled for occupancy in FY-1987. The increase in residential space reflects 31 new leases from the conversion to government quarters. All of this impacts on the General Services workloads and particularly the American planning and supervisory function.

Administrative Secretary, Prague, Czechoslovakia, 1 American and $40,000. There is no American Secretarial position in the Administrative Section. Given security conditions in Prague, local employees cannot have access even to unclassified-sensitive materials. This has meant that American employees of the section often perform their own drafting, editing, typing, and handling of all such materials. The substantive side of the Embassy increased from 19 Americans to 27 (42%) without a commensurate increase in secretarial or clerical staff. Since Prague is in the Eastern bloc, more material is treated as classified than would be the case in a Western country.

Voucher Examiner, Belgrade, Yugoslavia, 1 FSN and $15,000. With constant FSN staffing between 1980 and 1985, voucher workload increased 32.0 per cent, from 4,352 to 5,748 vouchers processed. The workload increase accordingly accounts for 1 additional FSN staff-years. Establishment of this position is necessary to avoid delays in payments to outside vendors and the consequent loss of discounts and to prevent violations of prompt payment act with required interest payments.

Supply/Procurement Agent, Copenhagen, Denmark, 1 FSN and $37,000. With constant FSN staffing between 1980 and 1985, workload increased in Procurement, Supply and Shipment services. Procurement workload increased 154.2 per cent, from 199 to 506 purchase orders, bids & contracts executed. The workload increase accordingly accounts for 3 additional staff-years. At the same time, supply workload increased 126.2% from $14,149 to $32,018 in supplies issued. Simultaneously, shipment processing workload jumped 92.9 per cent, from 418 to 826 shipments processed.

Accounting Tech/Voucher Examiner, Helsinki, Finland, 1 FSN and $42,000. Accounting workload increased 20.4 per cent, from 1,745 to 2,102 obligations established. Voucher workload simultaneously grew by 83.4%, from 1,377 to 2,526 vouchers processed, consequent primarily on the advent of an STL conversion program, with its requirements for payment of rents, utilities and repairs by the USG. With 1 FSN staff-years previously dedicated to this subfunction, the workload increase here translates into 1 additional staff-years The STL conversion program is expected to continue to expand through FY-87, accounting for at least a further 25% workload increase, making a total workload/staff-year increase of an additional position necessary.

Maintenance Inspector, Helsinki, Finland, 1 FSN and $28,000. Workload has increased in Supervision of GOLTL (Government-Owned and Long-Term Leased) and STL (Short-Term Leased) Buildings Operations with staffing constant between 1980 and 1985. Combined Office Buildings Operations workload has increased 84.3 per cent, from 16,288 to 30,011 square feet serviced. This subfunction previously required 1 staff-year of FSN personal service support, inclusive of overtime; the workload increase, in a purely statistical sense, accordingly accounts for 1 additional FSN staff-years. In addition, combined residential Buildings Operations workload has increased by 218.8 per cent, from 26,026 to 82,973 square feet serviced, consequent on the inception of an STGL conversion program. This subfunction previously required 1.5 staff-years of FSN personal service support, inclusive of overtime; the workload increase accordingly accounts for 3 additional FSN staff-years, leaving a net workload/staff-year increase of 4 staff-years, roughly two staff-years of which is already being contracted for commercially (in addition to over $74,000 of base-year commercial contracting). The Embassy does not currently have any supervisory maintenance personnel, despite having assumed operational responsibility for over 50 new properties in the past five years.

Property Control Clerk, Brussels, Belgium, 1 FSN and $27,000. With static FSN staffing between 1980 and 1985, workload increased dramatically in Contracting, Procurement and Administrative Supply services. Supply workload grew 149.4%, from $80,738 to $201,387 in supplies issued. Adjusted for inflation, the workload increase comes to 111.9% in real terms, largely due to growth in ADP/WP supply workload consequent on expansion of the USG's interagency ADP/WP capability in Belgium. This subfunction previously required 4.5 staff-years of FSN personal service support; the workload increase thus accounts for 3.98 additional staff-years. At the same time, procurement workload grew, in a purely statistical sense, by .9%, from 1,927 to 1,946 procurement actions executed. At the same time, it should be noted that the Embassy is experiencing a statistically hidden workload increase in the security area. Although the number of SY procurement actions is relatively small, their complexity is extreme, encompassing new multi-million-dollar guard-force and technical security contracts requiring painstaking labor-intensive attention to detail. With 6 FSN staff-years previously dedicated to the procurement subfunction, the .9% recorded workload increase translates into this requirement for an FSN Property Clerk.

Supply Clerk, Bonn, Germany, 1 FSN and $24,000. With FSN staffing increased by one between 1980 and 1985, workload increased in both Procurement and Supply services. Supply workload grew by 48.4 per cent, from $174,293 to $258,705 in supplies issued. There are currently 792 Americans in Germany, supported by 15 Americans and 198 FSNs. The projection of 78 additional americans, represents an increase of 9.6% to the American population. Consequently an additional FSN SUpply Clerk is needed to handle the increasing volume of routine procurement actions.

Dispatcher, London, United Kingdom, 1 FSN and $19,000. Pooled Motor Vehicle dispatching and administration workload increased 20.3 per cent, from 194,772 to 234,342 miles driven. This subfunction previously required 10 staff-years of FSN personal service support, inclusive of overtime; the workload increase accordingly accounts for 2 additional FSN staff-years. At the same time, combined pooled and non-pooled vehicle maintenance workload increased. This overtime workload, in combination with the driving services workload cited above, produces a total staff-year increase of 2, fully justifying two additional positions. In support of the dispatching function one position is required.

Administrative Secretary, Ankara, Turkey, 1 American and $36,000. This position will provide secretarial support to the Administrative section where there is currently no American Secretarial position. The position was abolished as part of the FY 1981-82 position reduction exercise. Consequently, the American employees of the section often perform their own drafting, editing, typing and handling of all classified materials. In 1983, the Embassy hired on contract a military dependent with an active Top Secret clearance to help with its Admin secretarial requirements however, this employee is departing post at the end of FY 1986. Approximately 65% of the documentation produced and handled by the Embassy's administrative office is either classified or sufficiently sensitive as to require the services of a Top-Secret cleared American secretary.

Administrative Assistant, Vatican City, The Holy See, 1 FSN and $25,000. This position would act as Receptionist, Secretary, Class B Cashier and is one of a series of basic set-up requirements for the new U.S. Embassy to the Vatican which was established in FY 1984. With substantive staffing increases growing out of this change in status and a move into a much larger Vatican chancery, it is still envisaged that Embassy Rome will provide most administrative support services to the new Mission. Embassy Vatican does, however, require this additional position to round out its basic administrative staff. It is no longer practical to depend on employees dedicated to other tasks to receive and direct visitors and phone calls, dispense petty cash and coordinate with Embassy Rome's GSO section the growing volumes of service and supply requests generated by the Vatican staff. It is also not practical to assume that employees and VIP visitors should be required to continue to commute across town to Embassy Rome for the purpose of check cashing, accomodation exchange or USG debt collection. To avoid unacceptable delays in reimbursement of even the most routine cash expense, the U.S. Embassy to the Vatican needs an FSN Administrative Assistant to provide these essential services.

General Services Assistant, Luxembourg, Luxembourg, 1 FSN and $20,000. The total workload/staff-year increase comes to 3 FSN staff-years, fully justifying these additional positions. The workload increases are the result of the establishment of three new State American positions at the Embassy since FY-1980. This has led to increased overtime of a full staff-year on the part of two employees, and to a mixing of GSO and B&F subfunctional work in single positions in ways not conducive to even minimal internal control requirements. Based on the above workload increases and the fact that an additional State American position will be established in FY 1986, an FSN General Services Assistant is needed for the Embassy in Luxembourg.

Administrative Assistant, Valetta, Malta, 1 FSN and $20,000. With constant FSN staffing between 1980 and 1985, workload increased in American & FSN Personnel Management, Travel Services, Foreign Ministry and Customs certification/liaison. Specifically, American Personnel Management workload is up by 33.3%, from a total of 9 to 12 Americans serviced. Welfare & health workload is up by 33.3 per cent, from 9 to 12 Americans serviced. Travel workload is up by 117.3 per cent, from 46 to 100 travelers serviced. Finally, shipping/customs workload (consisting entirely of customs certifications/liaisons) is up by 229.4 per cent, from 34 to 112 shipments processed.

Procurement Assistant, London, United Kingdom, 1 FSN and $24,000. With constant FSN staffing between 1980 and 1985, workload increased dramatically in Procurement services. Specifically, procurement workload grew 18.3%, from 2,994 to 3,541 procurement actions executed. This subfunction previously required 5 staff-years of FSN personal service support; the workload increase accordingly accounts for 1 additional staff-years. A detailed examination of the country's workload/staffing profile indicates that additional FSN positions will be necessary to accommodate the increased workload.

Receptionist, Belfast, United Kingdom, 1 FSN and $19,000. For several years now, the security situation in Belfast has dictated severe public access restrictions at the post. Owing to security considerations, access to the Consulate must be carefully controlled, and telephone communications continuously monitored. Notwithstanding this, the post has never addressed the issue of direct-hire personnel requirements in support of such functions. The post does not presently have any direct-hire receptionists or switchboard operators; these functions have been carried out on an ad-hoc basis by other Consulate employees or through temporary purchase orders. This situation clearly is not satisfactory. A properly-trained receptionist/switchboard operator is required for controlling access to the Consulate and monitoring communications.

Art & Graphics Specialist, London, United Kingdom, 1 Contract FSN and $24,000. The workload generating this requirement consists of computerized graphic reproduction work. Most of the Embassy's signs, graphs and locally-produced forms are set by computerized graphic machines, and then reproduced by offset, as are illustrations for publication and materials for exhibitions. In addition, certain sensitive (though non classified) aspects of substantive mapping and photo enhancement reproduction are involved in this workload. The number of commercial outlets for these services has decreased in the last two years, and costs have accordingly skyrocketed as a function of supply and demand. The few remaining commercial contractors for this service are drastically backlogged, and the Embassy is thus unable to meet even its workload requirements through this means. Even so, the Embassy estimates that it spent over $150,000 (on behalf of various USG agencies) in FY 1984 alone on contractual computer-graphic reproduction. Given the sensitive aspects of parts of the workload in question, this requirement cannot in any case be defined as "commercial"; it must be met by direct-hiring. Consequences of not filling position include non-cost effective procurement of computer graphic reproduction services locally in London.

Nurse, Sofia, Bulgaria, 1 American and $13,000. Adequate medical facilities do not exist in Bulgaria. Medical personnel, training, equipment and physical plants fail to meet Western standards. Physicians are not trained in Western standards, frequently mis-diagnose the most elementary inflictions, and often prescribe medicines which are used only as last resorts in the U. S. because of harmful side effects. Orthopedists are unreliable, and most dentists do not use anesthesia. Laboratory and hospital facilities are so primitive and unreliable that the Embassy sends blood samples to the U. S. for analysis whenever possible. X-ray facilities are obsolete, producing a poor end-product and employing more than ten times the radiation level of current U. S. equipment with little or no protection offered the patient. There are no USG medical positions in Sofia. Given the conditions, the Embassy has sporadically employed USG family members or Third Country National (TCN) diplomatic family members in a part-time nursing capacity either on contract or in PIT status. Qualified candidates are exceedingly rare in Sofia's small Western community, and some of these arrangements have had to be "shared out" with other Western diplomatic missions. Long gaps between contract/PIT appointments are the general rule and therefore a full-time Nurse is needed.

Budget & Fiscal Assistant, Oslo, Norway, 1 FSN and $29,000. With constant FSN staffing between 1980 and 1985, workload increased in Accounting, Voucher Processing and Disbursing services. Accounting workload increased 27.7 per cent, from 3,350 to 4,278 obligations established. Voucher workload simultaneously grew by 58.8%, from 1,794 to 2,850 vouchers processed. With 1.5 FSN staff-years previously dedicated to this subfunction, the workload increase here translates into 1 additional staff-years. Cashier workload also rose by 42.2%, from 2,554 to 3,634 payments processed. With 1.25 FSN staff-years previously dedicated to this subfunction, the increase accounts for .5 additional staff-years, making a total workload/staff-year increase of 1.5, justifying the need for an additional position.

Supply/Procurement Agent, Oslo, Norway, 1 FSN and $29,000. Procurement workload increased 10.8 per cent, from 845 to 937 purchase orders, bids and contracts executed. At the same time, supply workload increased 110.2% (72.7% adjusted for inflation), from $8,213 to $17,265 in supplies issued. Simultaneously, shipment processing workload jumped 108.4 per cent, from 402 to 838 shipments processed. With .8 FSN staff-years previously dedicated to this subfunction, the workload increase accounts for .9 additional staff-years, which, when added to the staff-year lost to reprogramming, makes a total GSO workload staff-year increase of 2.3, fully justifying the need for these two additional positions.

Maintenance Inspector, Lisbon, Portugal, 1 FSN and $23,000. Combined Office Buildings Operations workload has increased 139 per cent, from 25,563 to 61,063 square feet serviced, as a result of occupying the new Government Owned (GO) chancery in FY 1983. This subfunction previously required 3 staff-years of FSN personal service support, inclusive of overtime; the workload increase accordingly accounts for 4 additional FSN staff-years. The Embassy has executed commercial contracts for the bulk of its new responsibilities. These contracts remain, however, largely unsupervised at this time, as the Embassy has only one maintenance supervisor. As a result, virtually no routine contract compliance verifications or on-site work inspections are being performed. This leaves an unsupported workload increase of almost two staff-years in the realm of contract administration and oversight, fully justifying the need for this additional position.

Procurement Assistant, Lisbon, Portugal, 1 FSN and $24,000. Workload increased dramatically in Procurement services with staffing remaining constant between 1980 and 1985. Specifically, procurement workload grew 55.7%, from 1,443 to 2,248 procurement actions executed. This subfunction previously required 3.5 staff-years of FSN personal service support; the workload increase accordingly accounts for 2 additional staff-years, fully supporting the Embassy's request for two additional positions.

Travel Assistant, The Hague, Netherlands, 1 FSN and $35,000. Personnel Management & Travel services workload increased dramatically between 1980 and 1985 with staffing remianing constant. Specifically, travel workload increased by 185.2 per cent, from 516 to 1,472 travelers serviced, with a heavy concentration on labor-intensive VIP visits. American personnel management workload also grew by four per cent, and FSN personnel management by 7.9 per cent over the same period, making a total requirement of 1 additional staff-year.

Nurse, Frankfurt, Germany, 1 Contract and $34,000. The Regional Medical Officer in Bonn is currently responsible for providing medical support to our personnel in the Frankfurt area. This Officer's area of responsibility has been expanded and now comprises eighteen U.S. diplomatic missions in eight countries including West Germany, with the largest USG presence in the world. The Bonn Regional Medical Officer's (RMO) patient/physician ratio has now reached more than triple the U.S. standard of 450 people per doctor. Beyond this, a significant number of employees/dependents assigned to Bonn itself have limited medical clearances. Consequently, the Bonn RMO can no longer carry out his normally assigned responsibilities and support medical evacuations/military facility liaison in Frankfurt/Weisbaden at the same time. For these reasons, a Contract Nurse position is needed in Frankfurt.

American Salaries, $582,000

The foreign affairs administrative support system, in effect in 120 countries, supports not only the Department but the activities of other foreign affairs agencies at posts. To meet the increased workload and staffing requirements of this function, salaries for 32 American positions are requested.

Post Assignment Travel (PAT), $576,000

The foreign affairs administrative support system, in effect in 120 countries, supports not only the Department but the activities of other foreign affairs agencies at post. To meet the increased workload and staffing requirements of this function funding for Post Assigenement Travel of $576,000 for 32 positions ($18,000 per position) is requested.

Information Systems

1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr. (-)	
Positions	Funds	Positions	Funds	Positions	Funds	Positions	Funds
499	$64,103	512	$69,964	656	$96,534	144	$26,570

I. Summary

This summary discusses information systems support for overseas posts and the domestic programs and operations involved with the development and maintenance of systems through a coordinated effort within the Department of State.

The Department's central reservoir of data processing expertise for planning, policy and operations is the Information Systems Office (ISO) . ISO operates the Department's central computer facility and three Regional Administrative Management Centers (RAMCs) located in Bangkok, Mexico City and Paris. ISO works with each domestic office in the Department and acts as a clearing mechanism for an ever increasing number of requests for assistance with systems design and programming, systems upgrades, software development and user services.

II. Current Programs

The Overseas Automation Program provides general unclassified data and word processing support to the Department's Foreign Service posts through distributed minicomputer, microcomputer and office word processing systems. This program calls for installing 84 mini-computers at 62 posts through FY 1987. To date 64 systems have been purchased for 42 posts. The program supports the mission of the overseas posts in the areas of personnel, budget and fiscal management, non-immigrant and immigrant visa issuance, assistance to American citizens, representation fund accounting, visitor records, economic reporting activities, general services, and residential property management. In addition, other agencies are supported by specific systems, such as: Foreign Agriculture Service and the Foreign Commercial Service for support of the attache's office; U.S.I.A. for contact files and student counselling; U.S.A.I.D. mission accounting systems; and, the Veterans Administration for support of their country payment system.

On the domestic front, information systems support includes funding for: the Foreign Affairs Information System (FAIS) which entails the development, acquisition and expansion of major information systems for strategic planning and information processing; Information handling systems; Financial systems; Personnel Management systems; Consular activities; and, Property management. A brief description of each major activity within the Information Systems program is provided herewith.

Information Systems

Foreign Affairs Information System (FAIS): FAIS is a multi-year effort to develop a comprehensive system that will build on existing centralized systems. The new FAIS system will combine office automation, data processing and telecommunications into an integrated system.

Information Handling Systems

Classified Information Handling System (CIHS): The CIHS provides central electronic storage, retrieval, and dissemination capabilities for classified information, as well as secure word processing capabilities, at posts overseas. A related program is the Terminal Equipment Replacement Program (TERP) designed to upgrade receiving, transmitting and storage facilities at embassies and constituent posts.

Financial Systems

Financial Management System (FMS): The FMS provides accurate and timely financial information needed to make management decisions. The current functions for the on-going implementation of FMS include: disbursements, reimbursements, accounting and budgeting support for posts and 8 major agencies overseas; continued development and installation of Financial Management Center's (FMC's); and the domestic requirements of State, USIA and the Peace Corps. FMS will be capable of meeting the common accounting and budgeting information requirements through the Foreign Affairs Agencies "Common Accounting System".

Consolidated American Payroll Processing System (CAPPS): The CAPPS system consolidates the payrolling of all the Department's American employees worldwide into the Washington-based combined personnel/payroll system. When the project is completed, Americans from all serviced agencies will be paid by one system.

Foreign National (FN) Pay System: The FN Pay System will payroll all State Department and serviced agency FNS's worldwide.

Personnel Systems

The Department's automated personnel system consists of three major subsystems. The Table-Driven On-Line Foundation Software (TOFS) provides the capability for recording all transactions and updating information on the personnel master file. The Automated Personnel Transaction System (APTS) comprises the process for making Foreign Service assignments. The Personnel From Side System (PERFS), which is still under development, produces a Personnel Action (SF-52) using defaulted data from the master file to complete the form automatically.

Consular Systems

Consular Lookout and Support System (CLASS): CLASS is a worldwide system that will ultimately facilitate name-checking for passport and visa applicants and allow for data/message transmission between consular operational offices.

Travel Document Issuance System (TDIS)/Passport File Miniaturization (PFM): The TDIS system modernizes the passport issuance process by providing increased document security and replacement of obsolete equipment. The PFM system microfilms each passport application and maintains a complete index for inquiries.

III. 1987 Plans

The 1986 base for Information Systems is 512 positions and $53.8 million. FY 1987 program increases of 144 positions and $26,570,000, include overseas (66 positions and $4,659,000), domestic (78 positions and $19,511,000); and American Salaries and Post Assignment costs ($2,400,000). The total planned program level for Information Systems in 1987 is 656 positions and $80,411,000. The program increases requested for 1987 is summarized in the following table.

SUMMARY OF INCREASES:

Item	Positions	Funds
Direct Support to Overseas Posts:		
Site Preparation, Systems Upgrades, Equipment, and Maintenance	--	$ 2,408,000
American Systems Managers and FSN's	56	1,904,000
Subtotal Direct Overseas Support	56	4,312,000
Financial Management System	6	241,000
Domestic Informations Systems Support:		
FAIS (Foreign Affairs Information System) Implementation	25	12,700,000
Office of Information Systems	39	4,547,000
Other Domestic Systems Upgrades, Equipment, Supplies and Maintenance	4	2,186,000
Subtotal Domestic Information Systems	68	19,414,000
Western Hemisphere Disbursing Function	14	184,000
American Salaries	--	1,842,000
Post Assignment Travel	--	558,000
Grand Total	144	$26,570,000

Program increases for information systems support at overseas posts total 56 positions and $4,312,000 for the following:

> Site preparation, WP/ADP systems installations, VS system upgrades, equipment, supplies and maintenance of systems and software overseas ($2,408,000); and,
>
> American Systems Managers (28) at posts with VS (mini-computer) installations and FSN Word Processing Systems Managers and additional staff (28) required to support enhanced ADP and Office Information Systems (OIS). The total request is for 56 positions and $1,904,000

The on going implementation of the Financial Management System necessitates an increase of 6 positions and $241,000 for assigning a U.S. Disbursing Officer and a Data Entry Clerk at three FMC's being established in Jakarta, Abidjan and Ottawa.

Program increases for information systems support for domestic offices total 68 positions and $19,433,000 for the following:

> 25 positions and $12,700,000 to meet requirements associated with the second-year enhancement of the five-year FAIS program;
>
> 39 positions and $4,547,000 to enable ISO to: establish an Information Systems Policy Staff; enhance the Foreign Affairs Data Processing Center; and improve systems design and programming capabilities;
>
> 4 positions and $2,186,000 for systems development, acquisition and maintenance and WP/ADP systems upgrades for: the Bureau of Consular Affairs to continue software development for the Consular Look Out Support System (CLASS) and ongoing funding for the Travel Document Issuance System (TDIS) ($1,130,000); the Bureau of Intelligence and Research (INR) for on going enhancement of the the Information Handling System (IHS) (2 positions and $856,000); the Office of the Comptroller domestic FMS support ($181,000) and, Regional Bureau systems managememt (2 positions and $19,000).

The Department of State, under a Memorandum of Understanding with the Treasury Department, will begin to service its Western Hemisphere posts for payroll, disbursing and accounting from its Regional Administrative Management Center (RAMC), Mexico City. It is estimated that 10 American domestic and 4 overseas FSN positions ($184,000) will be needed. These positions and associated support costs represent the second phase of the scheduled implementation for the twenty-five additional posts to be serviced by the RAMC.

INFORMATION SYSTEMS

Positions & Funds
PROGRAM CHANGES
Budget Year 1987
(dollars in thousands)

	POSITIONS				CENTRALLY MANAGED FUNDS			BUREAU MANAGED FUNDS	TOTAL FUNDS
	AMERICANS		FSN	TOTAL	SALARIES	PAT	TOTAL		
	DOM.	O'SEAS							
S&E BUREAU:									
Intelligence/Resrch	2			2				856	856
African Affairs	1	4	10	15				1,045	1,045
Near East/S Asian Af	1	6	1	8				505	505
East Asia/Pacific Af		6	5	11				565	565
Inter Amer Affairs		9	8	17				1,510	1,510
EUR/Canadian Affairs		5	7	12				633	633
Bur/Intern'l Organ		1		1				314	314
Consular Affairs								1,130	1,130
Comptroller	6			6				259	259
Administration	25			25				12,700	12,700
Information Systems	43		4	47				4,653	4,653
American Salaries					1,842		1,842		1,842
Post Assignment Trav						558	558		558
* TOTAL ALL S&E BUREAUS	78	31	35	144	1,842	558	2,400	24,170	26,570

0219W

Program Detail

DIRECT SUPPORT TO OVERSEAS POSTS

Program increases for direct information systems support of overseas posts total 58 positions and $4,312,000 which includes enhancement of ADP/WP systems ($2,408,000) and additional management and support personnel ($1,904,000).

Site Preparation, Systems installations and Upgrades, Equipment and Maintenance $2,408,000

Specific Regional Bureau funding requirements for expansion of the mini-computer program (VS systems) installations and upgrades, acqusition of micro computers (PC's), and the development and maintenance of systems and software include:

Bureau of African Affairs (AF), $660,000

-- Systems Equipment - Additions to/Replacements of Existing Systems - $360,000. AF purchased basic ADP systems in order to obtain the basic benefits of automation at overseas posts. This $360,000 increase is required to cover replacement for those systems whose life cycle has been completed and for the purchased additional terminals, printers and accessories. The $2 million AF automation base will be used to continue to install basic systems at those posts which have not received ADP equipment.

-- Site Preparation - $120,000 An additional $120,000 is needed to obtain and install conditioners to protect ADP equipment from power fluctuations, and purchase new data and electrical cabling to support system expansion at posts with failing public utility delivery systems.

-- Maintenance - $210,000 An additional $210,000 is needed to provide adequate maintenance support for the expanding automation program in Africa. This maintenance is essential to the proper functioning of ADP equipment given the service and evironmental problems encountered.

Bureau of Inter-American Republics (ARA), $980,000

-- Systems Acquisition/Development, $980,000. Over the past two fiscal years, due to pressing security matters in the region, ARA has been able to purchase/lease only one million dollars of computer equipment per year. Both domestically and in the field there are no real classified word processing systems. During FY 1986 the third and last FMC (Caracas) will come on line. Following installation in Caracas it is anticipated that the three FMCs will do accounting and disbursing for surrounding posts. This will require resources, both human and equipment, to successfully carry out this program. The last two fiscal years has seen almost all of our equipment money go for security needs at the overseas posts. To correct the sorely lacking state of automation in the field, either a mini or personal computer is essential for each budget office.

Bureau of East Asian and Pacific Affairs (EAP), $190,000

-- Data/word processing increases ($190,000). An increase of $190,000 over the 1986 base amount of $830,000 is needed for a new computer room at Consulate Guangzhou, People's Republic of China ($100,000) and for other increases ($90,000). These other increases are a result of the bureau: assuming funding responsibility from Departmental bureaus for maintenance of current equipment and replacing obsolete OIS equipment with VS technology; improving systems security; expanding systems capacity; and allowing interactive database access with functional bureaus.

Bureau of Near Eastern and South Asian Affairs (NEA), $270,000

-- NEA Overseas Mini-computer Program, $270,000. The Bureau is planning on VS systems installed and running in Islamabad, Pakistan; Tel Aviv, Israel; Amman, Jordan; Kuwait; and, Riyadh, Saudi Arabia during FY-87. All posts will need major additions in workstations and printers if the systems are to be used at maximum efficiency. All posts will upgrade from OIS-140 where they had a maximum of 24 workstations. Since the VS can support 125 workstations, there is room for expansion. NEA needs to ensure that once the systems are operational, as many users that need workstations do in fact have them at their disposal. In addition to the workstations and printers at installed VS sites, the Bureau should ensure that Consulate Bombay, which has a Consular funded VS-90, receives sufficient hardware to support the administrative section.

Bureau of International Organization Affairs (IO), $308,000

-- Integrated classified system for the IO Bureau Phase I, $158,000. Funding is requested for the purchase of additional peripherals, the preparation of the office space, air conditioning, conduiting and electrical work specifically: the classified system will share the same CPU room as the unclassified system, therefore, the cost of the air conditioning, conduiting, and electrical work for the two systems ($49,500); and 2 additional terminals, 4 additional printers, upgrading 3 terminals and 4 printers to work on the new system, office management and telecommunications software, and fiber optic components ($108,500).

-- Enhancements to the unclassified system for the IO bureau Phase I, $70,000. Funding for additional equipment would consist of 1 additional 223MB disk drive, 1 tape drive, 2 archiving workstations, 3 additional printers, 2 twin sheet feeders, 3 WANG PCs, and an expansion port so that the VS-65 can support additional users.

-- Unclassified core systems for Rome and Montreal, $80,000. This system is designed to bring Rome and Montreal into the IO network. The core system will support effective communications with the Embassies, and allow the Bureau to exchange data files, messages, documents nad information with each post. The unclassified system would consist of 1 Model VS-65 CPU, 1 76MB disk drive, 1 WANG PC, and 2 printers.

American Systems Managers and FSN Personnel for Information Systems Support, 28 American and 28 FSN Positions and $1,904,000

Information Systems personnel at our overseas posts provide administrative support in the areas of staffing, budget and fiscal management, non-immigrant and immigrant visa issuance, assistance to American citizens, representation fund accounting, visitor records, economic reporting activities, general services, and residential property management. In addition, other agencies are supported by the Department's systems. Specific Regional Bureau requirements for American Systems Managers at posts scheduled for mini-computer installations and additional FSN personnel to support ADP/WP systems development and maintenance is as follows:

Bureau of African Affairs, 3 American and 9 FSN Positions and $321,000

-- Information Systems Managers, 3 American Positions and $159,000. American Systems Managers are needed to oversee minicomputer systems to be installed in Dakar, Senegal; Lagos, Nigeria; and, Monrovia, Liberia. The systems manager would manage the minicomputer installation by: monitoring daily operations; training users; working with users to design and implement local data and/or word processing applications when necessary; providing acceptable and/or mandated levels of service to Department and other agency users; implementing the Department's and other agencies' standard data processing applications; and ensuring that environmental and security standards are met.

-- Information Systems Assistant, 9 FSN Positions and $162,000. A FSN Information System Assistant is needed in Dakar, Senegal; Kinshasa, Zaire; Nairobi, Kenya; Pretoria, South Africa; and, Monrovia, Liberia to: meet basic operational requirements of the minicomputer; provide the after-hours support promised to USIA in the recent State-USIA agreement; meet the mandated user training requirements; and provide users with word/data processing application design services. Abidjan and Lagos need two FSN positions to, in addition to the above work requirements, meet basic operational requirements of the soon to be installed VS-100, installation of FMS, and other-agency software programs.

Bureau of Inter-American Affairs, 9 American and 8 FSN Positions and $530,000

-- Systems Managers, 9 American Positions and $405,000. These system managers will oversee operations in the following embassies: Caracas, Venezuela; Santiago, Chile; Port-Au-Prince, Haiti; Kingston, Jamaica; San Salvador, El Salvador; Guatemala; Lima, Peru; Georgetown, Guyana; and, Bridgetown, Barbados. The posts currently operate without a full-time American supervisor which goes against the established guidelines from A/ISO and security. The computer systems manager serves as the post's top expert in automatic data processing operations and is responsible for satisfying serviced agencies/offices information requirements.

-- Office Systems Managers, 8 FSN Positions and $125,000. These 8 OIS Systems Managers would operate in the following embassies/consulates: Caracas, Venezuela; Quito, Ecuador; St. George's, Grenada; Port-au-Prince, Haiti; Fort de France, Martinique; San Salvador, El Salvador; Port-of-Spain, Trinidad and Tobago; and, Kingston, Jamaica. The OIS manager typically works without subordinate computer room staff but exercises supervision of such associated services such as the word processing center.

Bureau of East Asian and Pacific Affairs, 5 American and 4 FSN Positions and $299,000

-- Assistant Systems Managers, 4 American Positions and $200,000. Four Assistant Systems Managers are needed in Jakarta, Indonesia; Tokyo, Japan; Manila, Phillippines; and, Bangkok, Thailand. With as many as fourteen agencies at each of these posts using the computer operations, it is imperative to establish an assistant systems manager position. Computer operations currently run 24 hours a day, seven days a week. The single Systems Manager can provide only basic operations and minimal security. Each of these posts will function as Financial Management Centers requiring increased support for disbursements, reimbursements, fiscal management and budgeting. Proper control of the computer operations at each of these posts is essential to ensuring database integrity.

Systems Manager, 1 American Position and $46,000. The Consulate in Guangzhou, People's Republic of China has over 50,000 immigrant visa cases on file and projects 18,736 visas to be processed in FY 1986. This workload has necessitated the installation of a mini-computer and consequently will require an American Systems Manager.

-- Computer Systems Operators, 4 FSN Positions and $53,000. FSN Computer Systems Operators are needed in Hong Hong, Canberra, Australia; Tokyo, Japan; and, Singapore to handle the increased operating hours resulting from the addition of more computer applications (FMS, Consular and USIA), and for the critical, efficient and smooth running of the post's computer center.

Bureau of European and Canadian Affairs, 4 American and 6 FSN Positions and $519,000

-- Information Systems Managers, 4 American Positions and $312,000. Information System Managers positions are requested for the following posts: Ankara, Turkey; Lisbon, Portugal; Stockholm, Sweden; and Copenhagen, Denmark. The systems manager provides overall direction on use of the word processing and mini-computer equipment, the software, training and applications. This person is required to: oversee the development, enhancement, and integration of application systems; maintaining and processing financial management systems, sensitive contact files; coordinating the interests of multiple agencies; and, ultimately responsible for the functioning of hardware, software, and systems development and maintenance. Each of the above posts will need an American Systems Manager by 1987.

-- Systems Support Staff, 6 FSN Positions, $207,000. For any information systems installation, the establishment of a support staff is an essential element of our investment. The support staff is necessary for protection and smooth functioning of the increasingly large and complex Mission wide information systems. Without an adequate support staff, valuable time will be spent by both the American Systems Manager and all user elements of the Mission in performing the support work normally handled by the support staff. The support staff must be a specialist in word and data processing and must be able to: perform all computer systems operations; work with the software operating system; perform first echelon maintenance; supervise a high cost maintenance contract; and deal with systems users throughout the Mission. This request is for positions at the following posts: Technical Specialist in Brussels, Belgium; WP Systems Manager in Nicosia, Cyprus; Assistant Systems Manager in Ottawa, Canada and Systems Operators in Sofia, Bulgaria; Lisbon, Portugal and Madrid, Spain.

Bureau of Near Eastern and South Asian Affairs, 6 American and 1 FSN Positions and $229,000

-- Systems Manager, 5 American Positions and $176,000. The following posts are scheduled to receive a VS mini-computer in FY 1986 Kuwait; Rabat, Morocco; Riyadh, Saudi Arabia; Amman, Jordan; and Tel Aviv, Israel. This equipment will allow posts to run standard Department software for GSO, Budget and Personnel workload requirements. The position in Tel Aviv is for a second systems manager who will primarily operate standard programs, and where necessary, will write enhancements to these applications upon user demand.

-- Assistant Systems Managers, 1 American Position and $44,000. An Assistant Systems Manager is needed in Cairo, Egypt to supervise the systems operator, programmer and data entry clerks directly; ensure that all physical and logical maintenance is performed by the staff; devise training programs for all word and data processing applications and in some case actually lead training; serve as the primary contact for section heads to contact for improved or increased support; supervise the running of FMS and Consular applications; troubleshoot to correct system and user problems, oversee the telecommunication programs; and act as the liaison person with other Bureaus.

-- Systems Operator, 1 FSN Position and $9,000. This position is needed for Islamabad, Pakistan to ensure the computer is operational at all times through proper physical and logical maintenance, manage disk and volume space through proper back-up and archiving; train users personally in regular and advanced word processing, assist users in the specific applications; maintain an inventory of equipment, keep a log of computer maintenance calls, deal with the local vendors and makes sure contractual service is given.

Bureau of International Organization Affairs, 1 American Position and $6,000

-- Information Systems Manager, 1 American Position and $6,000. The demands on the Geneva Mission's VS computer for word processing and data processing support continue to increase as Geneva hosts more conferences and guests each year. In compliance with A/ISO requests, and concern for systems security, a full time Systems Adminstrator is needed to back-up the word processing and data processing files, and to monitor access to and use of the VS system.

FINANCIAL MANAGEMENT SYSTEM, 3 American and 3 FSN Positions and $241,000

The Financial Management System (FMS) provides accurate and timely financial information needed to make management decisions. The current functions for the on-going implementation of FMS include: disbursements, reimbursements, accounting and budgeting support for posts and 8 major agencies overseas; continued development and installation of Financial Management Center's (FMC's); and the domestic requirements of State, USIA and the Peace Corps. FMS will be capable of meeting the common accounting and budgeting information requirements through the Foreign Affairs Agencies "Common Accounting System". Additional positions required in FY 1987 to meet increased workload and for newly established FMC's include:

-- U.S. Disbursing Officer, 3 American Positions and $211,000. Three posts will become Financial Management Centers in FY 1987, Jakarta, Abidjan and Ottawa. The disbursing function is a new function for these two posts, formerly handled by the Regional Financial Center in Bangkok and Paris respectively. This new responsibility at the post level requires an American Disbursing Officer at each post designated to be a Financial Management Center to assure the availability of funds, and control of checks and check stocks. The Financial Management System will not only generate many useful management reports but also will create a need for more source documentation that must be entered into the system.

-- Disbursing Assistant, 3 FSN Positions and $30,000. A disbursing assistant is required to adequately support the Financial Management System (FMS) scheduled to be installed in Jakarta, Abidjan and Ottawa. This request is based on projected workload data and experience with similar functions Bonn and Tokyo. The disbursing assistant will control the checks and check stock.

DOMESTIC INFORMATION SYSTEMS SUPPORT

Foreign Affairs Information System (FAIS) Implementation, 25 positions (Americans) and $12,700,000

The Foreign Affairs Information System (FAIS) is a comprehensive information system that provides Foreign Service Officers and administrative personnel at Foreign Service posts and in domestic offices with an integrated electronic means of creating, exchanging, indexing, storing, disseminating, retrieving and archiving foreign policy and administrative information. The goals of FAIS are to: integrate office automation, data processing and telecommunications technologies into a unified system; use information technology to manage Foreign Affairs information resources; provide information processing leadership in the Foreign Affairs community; and, develop an evolutionary systems approach beginning with existing programs, incorporating new technology as it becomes available.

A detailed functional requirements document and a broad system architecture have been developed. The major functional requirements components are Bureau processing, post processing, indexing and primary distribution, central data base, domestic network and international network. The system architecture is basically three-tiered, using (1) central mainframes for network control, dissemination, routing, indexing and long-term storage and retrieval of record copy information; (2) work-group computers for local (Bureau and post) storage, indexing, retrieval, and electronic information exchange of non-record copy information, plus short-term storage and retrieval of record copy information; and (3) office automation and microcomputer equipment for word processing, storage and retrieval of personal files, and spreadsheet and graphics capabilities. This three-tiered approach gives the users the multiple benefits of the three levels of technology and provides connectivity between all users of the system.

In fiscal year 1986, the Department will continue prototyping and pilot testing various software packages to determine their applicability to FAIS. Limited custom software will be developed to augment these packages in order to provide FAIS functionality to the users of the prototype system.

-- An increase of 25 positions and related support costs of $575,000 is required in fiscal year 1987 to augment the FAIS staff, including: 6 Systems Analysts ($170,000); 2 Communications Engineers ($70,000); 1 Information Specialist ($30,000); 1 Configuration Manager ($30,000); 1 Training Officer ($25,000); 4 Program Analysts ($100,000); and 10 Computer Operations Specialists ($150,000).

-- Additionally, an increase of $12,125,000 in operating expenses will be required in fiscal year 1987, including: implementation of Bureau processing systems at three locations ($4,000,000); development of the Central Indexing and Distribution System ($3,457,000); implemention of a domestic network ($2,968,000); and enhancements to the Principal Officers' Electronic Mail System ($1,700,000).

Office of Information Systems, 39 Positions and $4,547,000

-- Information Systems Policy Staff, 3 positions (Americans) and $45,000. Because of the proliferation of distributed data, word processing systems, and data bases within the Department and at the overseas posts in the past few years, it is incumbent upon the Department to provide within the central data processing organization the resources to address data processing issues, policies and standards that cut across organizational boundaries. At the present time ISO is attempting to address this function through line managers who must of necessity give priority to current operations. If these resources are not provided, these vital functions can only be addressed sporadically rather than receiving the full-time, thoughtful attention they deserve. This requires a combination of both technical and organizational planning to provide the Deputy Assistant Secretary with alternative strategies: (1) for an orderly program of systems procurement, use and maintenance in the Department; (2) for the assessment of other systems on the market and in development; (3) for negotiations within the Department, with other foreign affairs agencies, OMB, GAO and GSA with respect to systems procurement and use; and (4) for identifying the Department's corporate data bases and establishing and maintaining the corporate data dictionary.

-- User Support Staff (USS), 4 positions and $1,430,000:

Upgrade post management group, 1 position (American) and $15,000. The Post Management Group has responsibility for the management of the Overseas Automation Program. Area of responsibility for each of the four analysts currently in the group is divided along regional lines. Unfortunately, this means that two regional areas do not have a full-time analyst assigned to their overseas automation efforts. One analyst had been assigned to cover both regions. However, by 1987 there will be an installed base of 22 DOS minicomputers and five Financial Management Centers in these two regions, along with six minicomputers from other agencies. In addition, installation of microcomputers in the two regions are scheduled in 1986 to meet the data and word processing needs of the smaller posts, so the installed base of equipment will be increasing even more.

Improve user services, 1 position (American) and $10,000. Over the past five years, the Department and the other Foreign Affairs Agencies have installed some 82 computers in our overseas posts. Each installation results in an increase of travel time and costs, additional telegraphic traffic between ISO and the overseas posts, and a greater requirement to coordinate all aspects of computer activities (such as surveying, ordering, installing, training, and trouble shooting) not only with the regional and functional Bureaus but also with the other foreign affairs agencies. In 1979, the annual telegraphic traffic involving ISO was a total of 369 messages; in 1984 it was a total of 7,729. All of this accompanying paper work. This leads to delays in filing important information and in preparing important cables and correspondence. A clerk/typist position will free the secretary from this burden and considerably speed the flow of important paperwork within the Office.

Programmer/Analysts, 2 positions (Americans) and $20,000. The USS division finds itself heavily understaffed with the increased requirement for: the development of new software; evaluation of vendor developed software; analysis and maintenance of existing software; conversion of standard software packages for use by small posts with micro computers; providing posts with site preparation assistance; networking of computers with mainframes and micros as well as with each other, security and Internal Controls; assisting with identifying computer facilities for embassies under construction; the Embassy of the Future program; and installation/training of new sites/software and users. . The increased demands have resulted in a growth of contract staff to assist in meeting these objectives, however, the USS staff has not grown to be able to provide the necessary guidance and management of the increased number of contractors and the increased number of projects. There are currently fourteen contract employees and at least twenty concurrent activities that must be supervised. The addition of two programmer/analysts would greatly alleviate this situation and permit USS to continue to: produce quality products; fully implement all aspects of Internal Controls; address security issues; and provide the Department with the technical assistance it requires.

USIA Computer Takeover Maintenance, $135,000. The Information Systems Office, via a recent interagency agreement, will add to its hardware base the USIA computers and peripheral equipment for four posts -- Tokyo, Belgrade, Caracas and Brasilia. It is estimated that the maintenance cost per post for this equipment will be $33,750.

Off-the-Shelf Security and Management Software, $500,000. With the requirement to support an ever growing base of computers, it is highly cost-effective to procure software from vendors and bypass the enormous development costs associated with software development and maintenance. The increased visibility and awareness of security problems make it is essential that the User Support Services Staff (USS) be able to procure state-of-the-art software security products to address this issue. Some of the security products being currently reviewed include Toolshed from E-Z Software Systems, Security System from Netron, and SUPERHELP from BEI Products.

Replacement of Wang Equipment, $750,000. Since the original contract for equipment for the Overseas Automation Program was signed in 1979, no money has been budgeted for replacement of old equipment. Based on an industry standard of four to five years for normal life cycle costing for computer systems, combined with an average of three years for technological obsolescence, replacement of less efficient, obsolete, or non-maintainable equipment must be considered. Funding of $750,000 will enable ISO to plan the replacement of at least twelve older existing systems at overseas posts. Seven computer systems were installed in 1980 and will be reaching a seven year life cycle, which is considered a maximum for replacement, this fiscal year. Given the increased demands on equipment actual evaluation and replacement of equipment is necessary.

-- Foreign Affairs Data Processing Center, 17 positions and $1,586,000:

Expand trouble desk service, 4 Positions (American) $40,000. With the expansion of the overseas minicomputer program, it is now necessary to provide 24-hour service during the normal work week. This request is for four additional computer operators to cover the trouble desk on the 4 p.m. to midnight and midnight to 8 a.m. shifts. For the past seven years, this office has provided worldwide telephone service for reporting and fixing user problems through the ISO "trouble desk." The function is currently performed by a dedicated and trained individual during normal office hours.

Support FMS and CAPPS using RAMC Computers, $865,000. Accurate and timely transfers of data from FMCs and neighboring posts to RAMCs and from the RAMCs to Washington will become an increasingly important component of the Consolidated American Payroll Processing System (CAPPS) and the Financial Management System (FMS). The $865,000 requested will be used for commercially available systems software and some peripheral hardware for the RAMCs. It will then be possible for these centers to take incoming data and forward it back to the FMS and CAPPS systems over data communications links with an extremely high degree of data integrity. Functions performed by the overseas systems software will include: data network communications control, data network problem determination from both local (RAMC) and remote (Washington) sites, and data network performance analysis.

Improved Facilities Management, 1 positions (American) and $10,000. The Facilities Control Section of Facilities Management Branch has one Computer Administrative Specialist position to handle all FADPC administrative support work. Duties associated with this position include procuring supplies and equipment; maintaining inventories of computer hardware components, supplies and furniture; generating periodic reports for the Department and GSA; preparing recurring and special reports; identifying sources of supply and vendor pricing; coordinating and managing special GSA renovation projects; and storing supplies and equipment.

Support of the Data Network Center, 9 positions (Americans) and $115,000. A recent security risk analysis of the FADPC by an independent contractor identified a five year loss exposure of $631,500 for improved network area access controls. The report recommended that proper security controls of any computer center should be staffed by at least two persons at all times. The nine positions requested for the Data Network Center provide the coverage recommended in the report. The present data network configuration consists of 21 high-speed overseas WANG circuits and 41 AVLOS circuits, along with a mainframe computer with systems resident software and peripheral hardware tailored to facilitate data communications. The evolution of CAPPS, FMS, the overseas automation program, interagency agreements and the continued growth of the AVLOS network dictate that the ISO data network facility provide reliable 24 hour-a-day service to all overseas locations serviced by the center. At present, ISO is using extensive overtime and staffing with only one operator per shift. This has stretched ISO's operations staff to a point where serious degradation of the network or unrecognized circuit problems are distinct possibilities. A adequate staff of Computer Operators trained in the specialized field of network management, maintenance and trouble shooting is needed. These networking specialists will be responsible for using sophisticated hardware and software components to minimize disruption of service and to maximize the reliability of the network to remote installations.

Support of the Financial Management System (FMS), 3 positions (Americans) and $556,000. This request is for positions and funds to support the central domestic FMS operation. With the expansion of FMS, the Office of Information Systems will require the following equipment and software to furnish the necessary support:

Equipment:

-- Purchase 1 high performance disk controller (including $6,000 annual maintenance)	$226,000
-- Purchase of two 2.5 billion character Disks (including $8,000 annual maintenance)	108,000
-- Purchase of 1 computer output microfilm device (including $10,000 maintenance)	130,000
-- Supplies (1000 reels of tape plus paper and microfilm)	30,000

Software:

-- A more advanced file backup system	$ 12,000
-- Remote support features for telecommunications	4,000
-- A data dictionary package	6,000
-- A financial modelling program	10,000
Total estimated hardware and software costs	526,000

-- System Design and Programming (SDP), 15 positions and $1,486,000:

Intelligence Systems, 2 positions (American) and $155,000. A Computer Systems Analyst and a Computer Specialist position are required to provide support to the current INR Intelligence Handling System (IHS) and the development and maintenance of a follow-on system. Efforts with INR to replace their present system are already underway. The support provided by the two staff would include: interagency technical liaison; analysis; design; and implementation of technical logistics and control between ISO and INR contractors. Although not full-time on the IHS system, these positions would also support other INR initiatives such as COINS and Office Automation.

Reform 88 Initiatives, 3 positions and $45,000. In concert with the Office of Management and Budget (OMB), the Department is preparing to support the President's REFORM 88 initiatives through three major undertakings.

1. The Department's Personnel and Payroll systems are being modified to support one common system to be used throughout the Foreign Service community. As a result, the Department must prepare to act as a "service bureau" for AID, USIA, and the Peace Corps. This is a major undertaking requiring resources for planning, analyzing and implementing the system. The effort must proceed in parallel with the continuing full-time support that ISO now provides for it's users of the systems. When implemented, the "service bureau" must be able to supply resources to support administrative anomalies required by each of the supported agencies. Implementation will require three new positions. A Supervisory Computer Systems Analyst will be needed to direct the service and act as interagency liaison.

2. The Department's Financial Management System (FMS) is approaching the stage where it both impacts the central systems which have been in place for some years and requires developmental support as it is implemented on the mainframe computer. Large-scale implementation of FMS will require ISO support for coordination and control of the system processes used as well as effort within the other systems affected. Consequently, ISO needs one Computer Systems Analyst to work on FMS and other overlapping systems design and programming issues.

3. The Foreign Service National Payroll (FNPay) and Full-Time Equivalent (FTE) systems require support increases. The FNPay system is a large worldwide network of processors. This implies extra work for both ISO operations and systems personnel. The additional operations workload can be absorbed by the existing staff. However, an additional analyst will be required for support of the contractor project team. It is anticipated that this analyst will support FNPay by assisting in information gathering, identifying systems standards and acting as liaison with the three RAMCs. Once the system is operational, the analyst will work with the FNPay team in overcoming processing difficulties -- including configuration management, error tracking and resolution of procedural conflicts with the Department.

Maintenance of Personnel Systems, 5 positions and $75,000. Upon inspection of two Departmental Personnel systems recently, the REFORM 88 team from OMB announced that the Department was a leader in the Federal Government. Current personnel systems include:

1. The Transaction On-line Foundation Software (TOFS) system supplies the Department with a single management point of on-line update for both personnel and payroll basic data. It contains over twenty-five thousand lines of program code that edit and validate data and provide automatic updates. The result is a high level of validity to data stored on each employee.

2. The Automated Personnel Transaction System (APTS) represents a quantum leap in the area of paperflow and control of a professionally administered process. It functions as the sole vehicle for accomplishing the task of making and controlling Foreign Service Assignments.

3. The PERsonnel From Side (PERFS) data system is the first fully automated attempt in the Federal Government to provide existing data -- already in automated form and required by Standard Form 50 -- directly to personnel offices throughout the Department. It uses a modern database management system (DBMS) and has been implemented in a mixture of non-procedural language and sophisticated "transaction monitor". PERFS' second function is to apply the lessons learned in APTS paperflow to providing paperflow potential to the rest of the Department's personnel system processors.

4. The Annuitant system stores and tracks information about Foreign Service personnel in order that retirement processing and payroll may be accomplished accurately and with a more rapid initial response than the Civil Service counterpart system. It is in the midst of complete revision beginning with the design of a new system which awaits ISO support.

ISO needs five additional positions as follows: Computer Systems Analyst, Computer Specialist, and three Computer Systems Analysts/Programmers. Duties include: ensuring that internal controls and security processes are built into each system; liaison with the DG area and other agencies involved in the specification of personnel automation procedures; coordination of contractor personnel involved in development and maintenance of personnel systems; and analysis, design, implementation, and maintenance of new or enhancing features or systems (for example, the Annuitant system redevelopment and the major extensions of PERFS to the bureaus).

-- Establish CAPPS Maintenance, 3 positions and $485,000. The Consolidated American Payroll Processing System (CAPPS) has recently been implemented. It consolidates many of the programming and hardware support elements of four previously disparate systems in the three RAMCs and Washington. Payroll systems in Washington already have an ISO support staff. That staff's workload cannot be expanded to support the additional requirements of CAPPS. Support requirements for CAPPS originate from RAMC and post requirements, legal and procedural changes, and changes in data processing configurations and technology. The volume of maintenance activity associated with a payroll system is extremely high -- to the point of affecting the timing of changes to employee pay if not completed within pay period limits. CAPPS is a large, worldwide, multi-host, networked system that requires an extreme amount of coordination (for example, with the RAMC accounting packages) and interdisciplinary (programming, analysis of the affect of changes, multiple operating systems, and communications) expertise.

Task Ordering Agreement, 1 position (American) and $210,000. The Department suffers from not having contractual technical support and expertise available when it is needed. Staff are needed to conduct the time and resource-consuming task of preparing a comprehensive procurement replete with concise statements of work, market surveys, interviews of potential vendors, and overseeing the vendors technical efforts. ISO needs to keep up with current technology and to provide for the functions of contracting, developing work statements, determining contractor capabilities and providing COTR support. Two Computer Systems Analysts are needed to provide the new program with central control and standardized methodology for vendor acquisition and use. Their duties would include: serving as the liaison with bureaus and procurement offices in contractual matters; developing a TOA; functioning as the COTR; teaming with bureau personnel to provide staff studies concerning the needs, costs and benefits of using a vendor; and ensuring that a pipeline of contractual personnel and expertise is available under the TOA. ISO would provide the "seed" money necessary to establish the TOA. Bureaus would provide funds for individual tasks or which they require use of the TOA.

Expand the Information Center, 1 positions (American) and $516,000. A prototype Information Center has been established in ISO. The Information Center (IC) approach is one which enjoys national favor in extending to the end user awareness and knowledge about the benefits of automation technology. The Information Center provides a facility in which users can see and try out technology, acquire product-specific training either to get them started or for advanced functions, and receive consultations on end user automation issues and problems from consultants familiar with their needs. The Information Center differs from the traditional ISO support in that it assists the user through teaching and consultation to aid themselves. The Information Center assistance encompasses personnel computing using microcomputers, office automation techniques through both mini and microcomputers, connectivity issues such as micro-to-mainframe linkages so that data does not have to be re-keyed, and Fourth Generation Languages. The employee skills and experience required to support an Information Center are distinct from the normal data processing skills and require specialized abilities. The number of support personnel required in an Information Center increases as the number of supported users increases. The lack of staff has limited the number of customers that can be supported. For the Department to be able to sustain the growth in demand for IC support two department employees Computer Systems Analysts, and two contractor personnel will be required.

In addition, the Information Center serves as a clearinghouse for developed software so that end users need not duplicate development efforts. In addition to support costs ($10,000) for the position, this request provides for two contractor computer systems analysts ($106,000); and hardware products, software packages, training, and supplies (400,000) to establish the Center.

Other Domestic Systems Upgrades, Equipment, Supplies and Maintenance, 4 Positions and $2,186,000

Bureau of Intelligence and Research, 2 Positions and $856,000

-- Computer Programmer Analysts, 2 positions and $6,000. Associated with INR's upgrade of the IHS, in FY 1987 a total of two additional computer programmer positions are requested. During FY 1987, the Bureau's Information Handling System (IHS) is expected to be at a stage of development and implementation when programmer support will be essential. FY 1987 will be the second year -- and most resource significant -- of this five-year project. Computer programming support is mandatory for the system and, because of the sensativity of this system, must be provided by direct-hire employees, rather than contractors.

-- Information Handling System $850,000. In FY 1987, the upgrade of INR's Information Handling System (IHS) will be in the second year of a five year effort. This upgrade initiative will begin in FY 1986 and is scheduled for completion in FY 1990. The total cost of completing the upgrade will be $15.2 million, as recommended by the Planning Research Corporation (PRC). This increase, in addition to the base of $2.5 million, will provide a FY 1987 funding level of $3.175 million.

Bureau of Consular Affairs, $1,130,000

-- Consular Lookout and Support System (CLASS), $930,000. These funds will be used to continue the software development for the Consular Lookout and Support System (CLASS), formerly the Automated Visa Lookout System (AVLOS). The results of the requirements analysis inaugurated in 1984 will determine the software development necessary to improve the linguistic capabilities of world-wide consular functions and establish the potential for direct interagency links. CLASS will represent a major upgrade in world-wide automation capabilities for consular functions. These funds will emphasize telecommunications capabilities and the ability to link with other agencies, especially the Immigration and Naturalization Service. Funding estimation was a product of the requirements analysis and is reflected in this request.

-- TDIS software rewrite, $200,000. This amount will be used to rewrite software for TDIS in order to meet changing information demands and remedy operational stoppages of the current system caused by high volume workload which saturates file capacity and creates systems lock-out.

Office of the Comptroller, $181,000

-- Contract Support Personnel, $181,000. The Office of Financial Operations (FO) entered into an umbrella contract for management of its computer facility in FY 1985. This contract is working very well and FO management is confident that the contractor can provide the high quality personnel needed to handle the increased demand on FO's ADP system the domestic FMS will generate. Contractor support will provide the FO management with the needed personnel flexibility and quality that outside firms can provide. This request will provide 7 support personnel (one new shift) as follows:

2 - Production control managers	$70,000
3 - Computer Operators	75,000
2 - Production control support staff	36,000
TOTAL COST	181,000

-- In addition, a Computer Systems Analyst and an Assistant Systems Manager are needed in AF/EX and NEA/EX respectively to assist the Systems Manager in support of overseas and domestic data processing requirements (2 Positions and $19,000).

Western Hemisphere Disbursing Function, 10 American and 4 FSN Positions and $184,000

-- The Department, under a Memorandum of Understanding with the Treasury Department, will begin to service its Western Hemisphere posts for payroll, disbursing and accounting from its Regional Administrative Management Center (RAMC), Mexico City, in Fiscal Year 1986. A total of 14 positions are needed in 1987 to implement the takeover by the Department. The Office of the Comptroller (M/COMP) and the Office of Information Systems (A/ISO) receive new positions as follows:

M/COMP:	
1 - Senior Accountant	$ 13,000
5 - Accountant Technicians	65,000
Subtotal 6 Positions and	78,000
A/ISO	
4 - Computer Systems Analysts	$ 52,000
4 - Disbursing Assistants/RAMC Mexico	54,000
Subtotal 8 Positions and	106,000
TOTAL 14 Positions and	$184,000

These positions and associated support costs represent the second phase of the scheduled implementation for the twenty-five additional posts to be serviced by the RAMC. Full accountability for the posts will be established under the USDO RAMC Mexico as the posts are taken over.

American Salaries, $1,842,000

-- World-wide information systems continue to require major investments in equipment acquisition and development, services and personnel. $1,860,000 for the American Salaries of 109 American positions in this package is required. (78 domestic and 31 overseas positions).

Post Assignment Travel (PAT), $558,000

-- World-wide information systems continue to require major investments in equipment acquisition and development, services and personnel Post Assigment Travel costs of $540,000 for the 31 overseas American positions is required.

Communications Programs

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr. (-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
1,749	$249,146	1,769	$259,304	1,769	$261,304	--	$2,000

I. Summary

The Department, through the Office of Communications (A/OC), provides worldwide telecommunications, pouch, mail, and classified information handling support as required by the President, the Secretary of State, the Department and it's 262 missions, and approximately 50 USG agencies within the Foreign Affairs community. In addition, the Department manages primary and alternate communications centers; provides specialized communications services in support of the travel of the Secretary or other VIP's, major conferences and crisis situations; plans, designs, manages, operates and maintains all Department communications programs, facilities and systems; and satifies the Department's communications responsibilities as identified in Presidential, Congressional, National Security and Departmental mandates.

The Department's communications related goals are to: design and implement a Communications network architecture with adequate capacity and versatility to satisfy requirements of user agencies within the Foreign Affairs Community; expand the Department's contingency communications equipment inventory to include adequate levels of secure record, data, voice and video-teleconferencing systems; modernize and enhance communications capabilities at all foreign service posts, to include voice, record, and data communications; and improve diplomatic pouch and mail services to overseas posts.

II. Current Programs

The Department's communications programs emphasize modernization and automation of communications systems and equipment worldwide. Some highlights of recent program accomplishments are:

--Provided 21 replacement VHF voice radio systems to overseas posts.

--Replaced 20 HF voice radio systems used for inter-country voice radio communications in Africa.

--Installed 8 shielded enclosures as part of recent post Communication Centers renovations.

--Constructed and/or renovated post communications centers in short-term leased buildings in Chengdu and Wuhan, in the People's Republic of China.

--Installed Classified Information Handling Systems, thus providing secure electronic storage, retrieval, networking, and word processing capabilities, at 15 posts.

--Completed the Alternate Communications Center.

III. 1987 Plans

In 1987 the Department's communications programs emphases will be to continue modernization and automation of communications systems and equipment worldwide by: providing replacement VHF voice radio systems to overseas posts; replacing HF voice radio systems used for inter-country voice radio communications; and installing Classified Information Handling Systems, thus providing secure electronic storage, retrieval, networking, and word processing capabilities, at posts worldwide.

The Department, through the Office of Communications, will continue to manage its central terminal and relay functions by operating and maintaining the Alternate Communications Center.

The major thrust of this request is the continuation of the Department's non-government owned circuits leasing program.

The Department's Office of Communications is the United States Government's Executive Agent for non-government owned telecommunications transmission assets. Through this role the Department is responsible for providing a telecommunications network adequate to meet national security and client agency requirements. Non-government owned circuitry includes those land (Phase I) or satellite channels (Phase II) leased from a commercial company.

The 1987 request includes an increase of $2 million for the lease of an additional 10 circuits to continue implementation of Phase I of the Non-Government Owned (NGO) Circuitry program at an adequate level. The 1986 base for this program is $4 million, initially funded in 1985.

Professional Development and Training

(Foreign Service Institute)

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr. (-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
393	$28,552	393	$28,552	393	$32,552	--	$4,000

I. Summary

A comprehensive professional development program is fundamental to an organization like the Department of State which depends primarily on the knowledge and skills of its employees to accomplish its mission. Professional development is a continuous process by which the Department ensures that its professionals have the skills, experience and judgment to fulfill its functions at all levels. In accordance with the Foreign Service Act of 1980, particular emphasis is placed on preparing all Foreign Service officers for the broad responsibilities they face upon entry into the Service and as they make the transition into the mid and senior levels. At the same time, our training programs are designed to provide employees with the specific functional, area and language skills needed for the conduct of foreign relations both in the Department and abroad. Language and area training is also central to maintaining high morale in a service whose personnel must cope with the difficulties of living abroad, frequently in environments imposing unusual stresses and dangers.

The primary organization for accomplishing the professional development responsiblities and functions of the Department of State is the Foreign Service Institute (FSI). In order to better carry out these responsibilities the Department is requesting a permanent site for FSI. Congress has authorizes the transfer of title of Arlington Hall Station, the former junior college campus now used as an Army headquarters, from the Army to the State Department for use as the new FSI site.

II. Current Programs

In 1985 student enrollment totaled over 12,800 in the three major FSI schools, i.e., Language Studies, Area Studies and Professional Studies, as well as the Senior Seminar. Of this total, the School of Language Studies had over 2,000 students in 1985 studying 43 languages in 250 courses; 277 of these students in morning courses. The School of Area Studies' enrollment figure of 3,000 included students taking advance area studies in conjuction with their language training and students taking one of the two week basic courses. The 4,000 students enrolled in 1985 in The School of Professional Studies took courses in communications, clerical, consular, economic and administrative work as well as computer systems. In addition, 270 students were enrolled in mid-level courses and 2,500 students took the one day Coping With Violence Abroad Seminar. The Senior Seminar enrolled 32 students, over half of whom were from agencies other than the Department of State.

The rate of increase of enrollments in 1985 reflected a seven percent increase over 1984, a rate that has held historically true over the last several years and is expected to continue into the future. Because of the projected increase in FSI's responsibilities resulting from increased enrollment, a study by a private consulting firms was commissioned to provide professional opinions on FSI space requirements. Based on an analysis of both actual and anticipated space needs and attendance for training programs, this study concluded that by 1990 FSI will need 342,000 occupiable and 440,000 gross square feet. The study recommendation includes a requirement for 35,000 net usable square feet of space for a cafeteria and 36,000 net usable square feet of the Department's total requirement for security training of 100,000 square feet. It also adds space for grounds-keeping facilities, health facilities and a large library.

In 1986 a design competition will be held with the assistance of the General Services Administration to determine the architectual firm that should be awarded the contract for the entire plan.

III. 1987 Plans

In 1987 funding is requested to contract with the winner of the design competition to design a building (or buildings) totalling 440,000 gross square feet determined to be needed in the space requirements study.

The GSA estimate of the cost of design, including management review and inspection, an expanded master plan for the site, environmental assessment, and a 10 % contingency, is $4,000,000.

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11SALARIES AND EXPENSES

FY 1987
REQUIREMENTS BY OBJECT CLASS
(dollars in thousands)

Object class	1985 Actual	1986 Estimate	Current Services Adjust	Current Services	Program Changes	1987 Request	1987 Inc/Dec Ovr 1986
Personnel Compensation...	$552,962	$589,305	$30,687	$619,992	$3,413	$623,405	$34,100
Personnel Benefits.......	97,217	104,882	5,024	109,906	1,568	111,474	6,592
Benefits Former Personnel	4,675	5,130	395	5,525	65	5,590	460
Travel & Transportation..	69,446	81,664	2,377	84,041	5,259	89,300	7,636
Transportation of Things.	68,825	71,276	2,502	73,778	3,986	77,764	6,488
Rents, Communications & Utilities..............	131,182	147,661	25,248	172,909	4,514	177,423	29,762
Printing & Reproduction..	13,497	14,665	370	15,035	311	15,346	681
Other Services...........	269,992	372,107	15,669	387,776	33,379	421,155	49,048
Supplies & Materials.....	63,828	73,865	2,580	76,445	6,644	83,089	9,224
Equipment................	181,663	201,469	-4,571	196,898	33,347	230,245	28,776
Lands & Structures.......	--	25,470	-25,470	--	--	--	-25,470
Investments & Loans......	--	35	--	35	--	35	--
Grants...................	3,318	3,897	43	3,940	17	3,957	60
Claims & Indemnities.....	2,495	2,768	6	2,774	2	2,776	8
TOTAL BUDGET AUTHORITY	1,459,100	1,694,194	54,860	1,749,054	92,505	1,841,559	147,365
Emergency Deficit Control Act of 1985 - Sequestration..........		-62,638					
Revised Total............	1,459,100	1,631,556	54,860	1,749,054	92,505	1,841,559	147,365

SALARIES AND EXPENSES SUMMARY BY OFFICE

POSITIONS
(Americans except where noted)

	1985 Actual	1986 Estimate	Program Changes	1987 Request
Office of the Secretary	351	352	1	353
Politico-Military Affairs	153	153	6	159
Office of the Program Inspector General	92	98	--	98
Office of Protocol	59	59	--	59
Legislative and Intergovernmental Affairs	52	52	--	52
Bureau of Oceans and Environmental and Scientific Affairs	140	141	5	146
Office of the Legal Adviser	167	167	--	167
Bureau of Economic and Business Affairs	229	233	5	238
Intl. Communications and Information Policy	32	32	--	32
Bureau of Intelligence and Research	333	333	34	367
African Affairs				
Americans	763	791	44	835
Foreign Service Nationals	1,019	1,019	43	1,062
Subtotal	1,782	1,810	87	1,897
Near Eastern and South Asian Affairs				
Americans	777	794	23	817
Foreign Service Nationals	1,496	1,496	28	1,524
Subtotal	2,273	2,290	51	2,341
East Asian and Pacific Affairs				
Americans	766	780	52	832
Foreign Service Nationals	1,220	1,221	22	1,243
Subtotal	1,986	2,001	74	2,075
Inter-American Affairs				
Americans	1,138	1,148	36	1,184
Foreign Service Nationals	1,498	1,498	37	1,535
Subtotal	2,636	2,646	73	2,719
European and Canadian Affairs				
Americans	1,611	1,625	35	1,660
Foreign Service Nationals	2,453	2,433	42	2,475
Subtotal	4,064	4,058	77	4,135
Bureau of International Organization Affairs				
Americans	354	354	1	355
Foreign Service Nationals	40	40		40
Subtotal	394	394	1	395
Public Affairs	131	131		131

POSITIONS
(Americans except where noted)

	1985 Actual	1986 Estimate	Program Changes	1987 Request
Bureau of Consular Affairs	1,007	1,094	--	1,094
Under Secretary for Management	113	112		112
Office of the Comptroller	265	265	6	271
Office of Personnel	674	664	--	664
Office of Medical Services	78	78	--	78
Foreign Service Institute				
Americans	385	385		385
Foreign Service Nationals	5	5		5
Subtotal	390	390	--	390
Human Rights and Humanitarian Affairs	37	37	--	37
Administration	430	433	25	458
Diplomatic Security	636	778	--	778
Office of Communications	545	537	--	537
Office of Information Systems				
Americans	125	125	43	168
Foreign Service Nationals	119	125	4	129
Subtotal	244	250	47	297
Office of Foreign Missions	9	9	--	9
Management Savings				
Americans	--	--	-166	-166
Foreign Service Nationals	--	--	-35	-35
Subtotal			-201	-201
Salaries and Expenses Security Supplemental		595	117	712
Total:				
Supplemental	11,452	12,355	267	12,622
Grand total	19,302	20,192	408	20,600

SALARIES AND EXPENSES SUMMARY BY OFFICE
(Budget Authority dollars in thousands)

FUNDS

	1985 Actual	1986 Estimate	Current Services Adjustment	1987 Current Services Estimate	Program Changes	1987 Request
Office of the Secretary...........	$10,465	$10,913		$10,913	$5	$10,918
Politico-Military Affairs.........	1,464	1,496	$6	1,490	21	1,511
Office of the Program Inspector General...........................	1,501	1,570	-48	1,522	--	1,522
Office of Protocol................	784	816	--	816	--	816
Legislative and Intergovernmental Affairs...........................	728	768		768	-	768
Bureau of Oceans and Environmental and Scientific Affairs............	1,704	1,820	-	1,820	12	1,832
Office of the Legal Adviser.......	4,032	4,125	--	4,125	--	4,125
Bureau of Economic and Business Affairs...........................	2,308	2,055	--	2,055	35	2,090
Intl. Communications and Information Policy................	387	387	--	387	--	387
Bureau of Intelligence and Research..........................	2,894	4,242	-	4,242	1,554	5.796
African Affairs...................	78,774	84,066	2.566	86,632	2,623	89,255
Near Eastern and South Asian Affairs...........................	66,939	71,057	2,069	73,126	933	74,059
East Asian and Pacific Affairs....	54,541	57.974	1.936	59,910	3,035	62,945
Inter American Affairs............	74,150	80.236	4.759	84.995	3,067	88,062
European and Canadian Affairs.....	114,903	122,695	4.665	127.360	2,919	130,279
Bureau of International Organization Affairs..............	8,250	8,676	83	8,759	314	9,073
Public Affairs....................	2,426	2,563		2,563		2,563
Bureau of Consular Affairs........	33,425	32,853	215	33,068	1,130	34,198
Under Secretary for Management....	1,567	1,684		1,684		1,684
Office of the Comptroller.........	11,289	11,451		11,451	259	11,710
Office of Personnel...............	6.282	6.650		6.650		6,650

SALARIES AND EXPENSES SUMMARY BY OFFICE
(Budget Authority dollars in thousands)

FUNDS

	1985 Actual	1986 Estimate	Current Services Adjustment	1987 Current Services Estimate	Program Changes	1987 Request
Office of Medical Services........	$6,729	$8,872	$316	$9,188		$9,188
Foreign Service Institute.........	11,791	12,549	40	12,589	$4,000	16,589
Human Rights and Humanitarian Affairs............................	900	997		997		997
Administration....................	70,747	73,278	16,275	89,553	12,700	102,253
Diplomatic Security...............	188,457	122,783	262	122,521	2,000	124,521
Office of Communications..........	164,702	161,291	-4,631	156,660	2,000	158,660
Office of Information Systems.....	25,045	26,420	351	26,771	4,653	31,424
Office of Foreign Missions........	1,838	1,899	--	1,899	--	1,899
American Salaries						
American salaries...............	455,270	479,824	11,027	490,851	5,998	496,849
Post Assignment Travel............	54,808	60,690	2,610	63,300	3,240	66,540
Management Savings................	--	--	--	--	-11,120	-11,120
Salaries and Expenses Security Supplemental.......................	--	237,494	12,895	250,389	53,127	303,516
Total:						
American salaries...............	455,270	479,824	11,027	490,851	5,998	496,849
Post assignment travel..........	54,808	60,690	2,610	63,300	3,240	66,540
Bureau managed..................	949,022	1,153,680	41,223	1,194,903	83,267	1,278,170
Grand total.....................	1,459,100	1,694,194	54,860	1,749,054	92,505	1,841,559
Emergency Deficit Control Act or 1985 Sequestration.......		-62,638				
Revised Total...................	1,459,100	1,631,556	54,860	1,749,054	92,505	1,841,559

Office of the Secretary

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
351	$10,465	352	$10,913	353	$10,918	1	$5

I. Summary

The Office of the Secretary of State has responsibility, under Presidential direction, for the conduct of United States foreign policy and coordination of National Security and Foreign Policy related decisions with other interested Cabinet offices. This Office is composed of and has the responsibility for twenty-five distinct units including: the Deputy Secretary; the Under Secretaries for Political Affairs, Economic Affairs, Security Assistance, Science and Technology, the Counselor; Policy Planning Council; various Ambassadors-at-Large and Special Advisors to the Secretary.

The major functions of the Office are to provide the Secretary, Deputy Secretary, and other principals with analysis and advice on major current and emerging situations requiring policy level attention, and to prepare policy review or briefing memoranda for the National Security Council and for the Secretaries or other Department principals participating in meetings of the National Security Council Coordinating Committee. The Office is also responsible for representing the Department in regularly scheduled bilateral and multilateral discussions with key countries such as Japan, France, the United Kingdom, the Federal Republic of Germany, Brazil, Korea, and with NATO's Atlantic Policy Advisory Group. In addition, it provides support for: United States diplomatic and negotiating efforts called for by the Camp David framework for peace in the Middle East; preparations for Departmental and government-wide participation in major diplomatic meetings including economic and political summits; United States public diplomacy activities aimed at encouraging democratic processes and values worldwide; United States efforts in nuclear non-proliferation; diplomatic initiatives by the Ambassador-at-Large and other special United States Government emissaries.

II. Current Programs

As part of the continuing modernization program, the Executive Secretariat completed physical renovation of its Seventh Floor office space and built an equipment facility on the roof above the Operations Center. The Secretariat also added several key offices to its automation network. During 1985 the Secretariat greatly expanded trip support for the Secretary by linking its portable word processing and telecommunications equipment used on trips to the Department's central data processing and communications computers.

One unit within the Office of the Secretary is the Office of Public Diplomacy for Latin America and the Caribbean. This Office has coordinated the efforts of appropriate agencies of the Federal Government toward a better public awareness and understanding of the Administration's policy in Latin America and the Caribbean. This office also sponsors the public appearances of individuals whose experiences in Latin America or the Caribbean are germane to public debate on policy issues for the region. In the last twelve months, the Office has arranged for more than 400 public appearances (including speaking before refugee and exile groups in the United States), and more than 100 radio and television appearances, of its staff and others, including foreign visitors. The Office has arranged, coordinated appearances of, and accompanied media and other visitors abroad. During the same period it has arranged for publication and dissemination of publications and pamphlets (including translations of foreign originated articles).

The principal task of the Policy Planning Staff is analysis, strategy and forward planning. It has concentrated on providing the Secretary with policy alternatives across a range of global and strategic issues as well as being the principal drafter and coordinator of the Secretary's speeches. The staff of this Office has attended or hosted a number of bilateral and multilateral policy planning talks including the Atlantic Policy Advisory Group, the United States, United Kingdom, Japan trilateral policy planning talks, and policy planning talks with Argentina, Brazil, Korea, Italy, the Federal Republic of Germany and Japan.

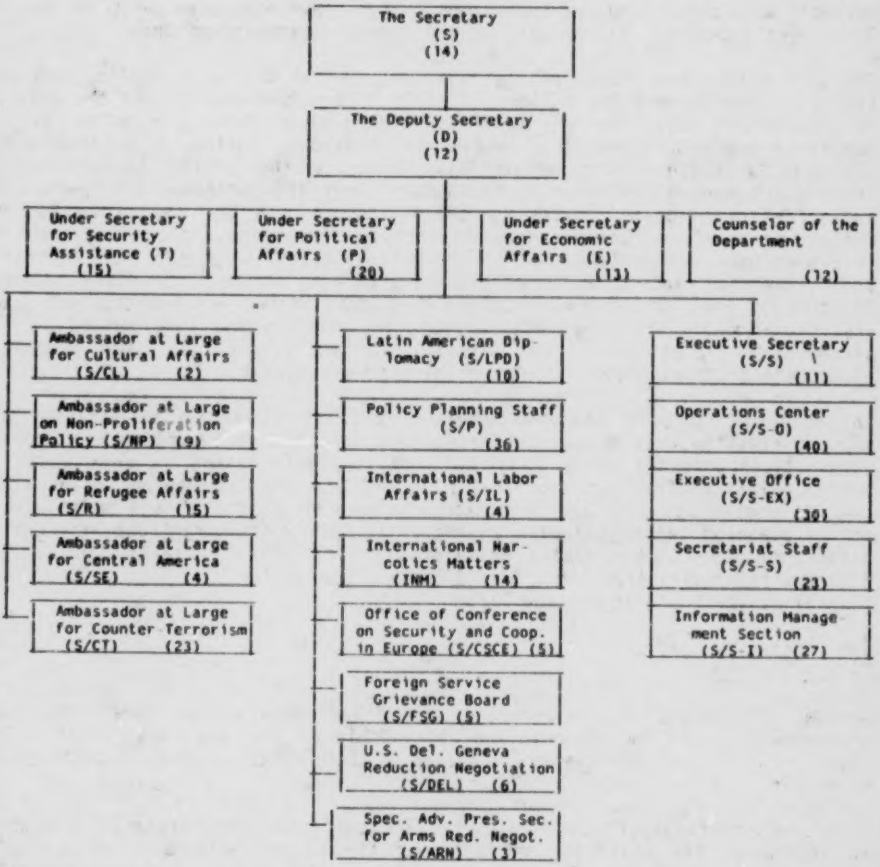
III. 1987 Plans

General objectives and diplomatic priorities remain the same for 1987: strengthening our alliances and friendships, and pursuing constructive relations with our adversaries whenever we can do so without violating our principles.

This means continuing to work closely with our allies in Europe and elsewhere to strengthen the political and economic ties that unite us. We are also working with Japan and other countries on trade issues and mutual security. There is a special interest in strengthening new democracies throughout the developing world -- especially in our own hemisphere, where several newly free nations face continuing and growing threats. There will be continued negotiations with the Soviets over the items on the agenda at the Geneva Summit and we will continue to seek agreements with the Soviets whenever it is in our interest to do so. Elsewhere in the world there will be a continued support for our friends and a continued search for negotiated solutions wherever possible. Every resource at our disposal will be used to combat the terrorist threat to all free countries.

FY 1987
Organization Chart

Total Domestic Positions: 353


The Secretary (S) (14)
The Deputy Secretary (D) (12)
Under Secretary for Security Assistance (T) (15)
Under Secretary for Political Affairs (P) (20)
Under Secretary for Economic Affairs (E) (13)
Counselor of the Department (12)
Ambassador at Large for Cultural Affairs (S/CL) (2)
Ambassador at Large on Non-Proliferation Policy (S/NP) (9)
Ambassador at Large for Refugee Affairs (S/R) (15)
Ambassador at Large for Central America (S/SE) (4)
Ambassador at Large for Counter-Terrorism (S/CT) (23)
Latin American Diplomacy (S/LPD) (10)
Policy Planning Staff (S/P) (36)
International Labor Affairs (S/IL) (4)
International Narcotics Matters (INM) (14)
Office of Conference on Security and Coop. in Europe (S/CSCE) (5)
Foreign Service Grievance Board (S/FSG) (5)
U.S. Del. Geneva Reduction Negotiation (S/DEL) (6)
Spec. Adv. Pres. Sec. for Arms Red. Negot. (S/ARN) (3)
Executive Secretary (S/S) (11)
Operations Center (S/S-O) (40)
Executive Office (S/S-EX) (30)
Secretariat Staff (S/S-S) (23)
Information Management Section (S/S-I) (27)

FY 1987
Permanent Domestic Staff by Organization Unit
(dollars in thousands)

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Office of the Secretary........	14	14	14
Deputy Secretary..............	12	12	12
Ambassador-at-Large for Cultural Affairs............	2	2	2
Ambassador-at-Large for Refugee Affairs.............	15	15	15
Ambassador-at-Large on Non-Proliferation Policy........	10	9	9
Ambassador-at-Large for Central America.............	5	4	4
Ambassador-at-Large for Counter-Terrorism...........	22	23	23
Political Affairs..............	20	20	20
Security Assistance............	15	15	15
Economic Affairs...............	13	13	13
Counselor......................	11	12	12
Policy Planning Council........	37	36	36
International Narcotics Matters......................	14	14	14
International Labor Affairs......................	3	3	4
Office of Latin American Diplomacy....................	9	10	10
Foreign Service Grievance Board........................	5	5	5
Public Diplomacy...............	5	-	-
U.S. Delegation to the Geneva Reduction Neg.	1	6	6
Spec. Adv. to Pres. & Sec. for Arm Red. Neg.	3	3	3
Conference on Security and Cooperation in Europe	-	5	5
Executive Secretariat..........	11	11	11
Executive Director.............	25	30	30
Operations Center..............	39	40	40
Secretariat Staff..............	23	23	23
Informations Management Section......................	27	27	27
Total......................	351	352	353

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate..........................	352	--	--	352	$10,913
1987 Current Services..............	352	--	--	352	10,913
Program Changes					
Reporting and Analysis...........	1	--	--	1	5
1987 Request (Budget Authority)....	353	--	--	353	10,918

Politico-Military Affairs

FY 1987

Summary Statement

($000 in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr. (-)	
Positions	Funds	Positions	Funds	Positions	Funds	Positions	Funds
153	$1,464	153	$1,496	159	$1,511	6	$ 15

I. Summary

The Bureau of Politico-Military Affairs is responsible for: the coordination of politico-military aspects of U.S. national security and foreign policy; backstopping the various Arms Control talks; the State-Defense Exchange Program, and assigning State Department officers to Department of Defense academic institutions in faculty advisor capacities.

The Bureau has four major areas of responsibility: the interagency coordination of U. S. policy for the deployment and control of strategic, theater nuclear weapons and conventional systems and forces; the administration of the security assistance and sales program; the export licensing of all military and related hardware under the provision of the Arms Export Control Act; and the coordination of regional security issues, theater military operations, and security arrangements overseas.

II. Current Programs

During 1986 the United States continued to carry on discussions with the Soviet Union in various forums including: the Conference on Confidence and Security Building Measures and Disarmament in Europe (CDE); the Conference on Disarmament (including a major U. S. initiative on chemical weapons control); and the Mutual and Balance Force Reduction Talks (MBFR). In 1986, US/Soviet Arms Reduction Talks were continued, including strategic and intermediate arms and space weapons.

The Bureau is responsible for the administration of the security assistance budget ($9 billion dollars). The Bureau also plays an important role in the support of major U.S. initiatives enhancing our security relationships in Southwest Asia, the Caribbean, Central America, and in efforts to promote peace, security, and stability in areas such as Lebanon and the Persian Gulf.

The Bureau's Office of Munitions Control issued export licenses for the sale of U.S. manufactured munitions items with a value in excess of $9 billion in 1985. Export license sales for 1986 are estimated to be comparable to last years amount.

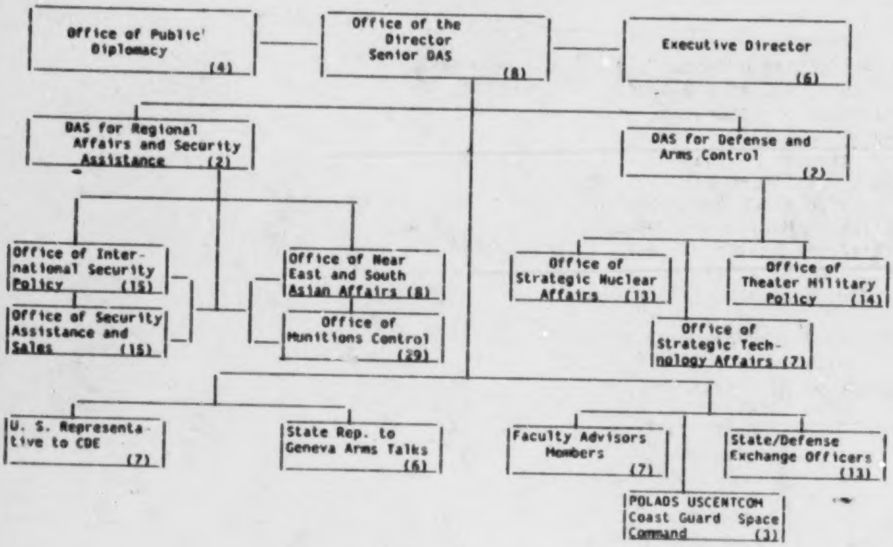
The Bureau is also deeply involved in support of both routine and extraordinary U.S. military operations abroad including coordination with our allies on exercises and operations in Europe, the Pacific, Southwest Asia, Central America, the Caribbean and the Middle East.

III. 1987 Plans

PM plans to continue the various arms talks initiatives from prior years, such as CDE, MBFR and Arms Reduction Talks on strategic intermediate arms and space weapons. The Bureau will continue to administer the security assistance budget and support initiatives to enhance security relations in Southwest Asia, The Caribbean and Central America. The Munitions Control Office plans to upgrade its data processing system and add additional personnel to handle the increased workload. This will be a significant undertaking in a continuing effort to reinforce the Office of Munitions Control's abilities to deal with the public and private sector, as well as foreign governments.

FY 1987
Organization Chart

Total Domestic Positions: 159


Office of Public Diplomacy (4)
Office of the Director Senior DAS (8)
Executive Director (6)
DAS for Regional Affairs and Security Assistance (2)
DAS for Defense and Arms Control (2)
Office of International Security Policy (15)
Office of Security Assistance and Sales (15)
Office of Near East and South Asian Affairs (8)
Office of Munitions Control (29)
Office of Strategic Nuclear Affairs (13)
Office of Theater Military Policy (14)
Office of Strategic Technology Affairs (7)
U. S. Representative to CDE (7)
State Rep. to Geneva Arms Talks (6)
Faculty Advisors Members (7)
State/Defense Exchange Officers (13)
POLADS USCENTCOM Coast Guard Space Command (3)

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Office of the Director	8	8	8
Office of Public Diplomacy	4	4	4
Executive Director	6	6	6
Deputy Assistant Secretary for Security Assistance	2	2	2
Deputy Assistant Secretary for Defense and Arms Control	2	2	2
Office of Munitions Control	29	29	29
Office of Theater Military Policy	13	13	14
Office of Strategic Nuclear Policy	11	11	13
Office of Strategic Technology Affairs	5	5	7
Office of International Security Policy	14	14	15
Office of Near East and South Asian Affairs	8	8	8
Office of Security Assistance and Sales	15	15	15
US Reps. to Confidence and Security Building Measures and Disarmament in Europe (CDE)	7	7	7
State Representatives to Geneva Arms Talks (SREPS)	6	6	6
Faculty Advisors	7	7	7
Exchange Officers	13	13	13
Political Advisors	3	3	3
Total	153	153	159

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate......................	153	--	--	153	$1,496
Built-In Changes					
Non-Recurring Decreases..........	--	--	--	--	-6
1987 Current Services..............	153	--	--	153	1,490
Program Changes					
Reporting and Analysis...........	6	--	--	6	21
1987 Request (Budget Authority)....	159	--	--	159	1,511

Office Of The Program Inspector General

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Positions	Funds	Positions	Funds	Positions	Funds	Positions	Funds
92	$1,501	98	$1,570	98	$1,522	--	-$48

I. Summary

The Department of State Authorization Act of 1986-87 specified that any individual appointed to or serving in the capacity of the Inspector General of the Department of State and the Foreign Service shall be designated as the Program Inspector General. The Act also changed the nature of the Inspector General function under the provisions of the Foreign Service Act and provided for the appointment of a second Inspector General under the 1978 Inspector General Act. On September 22, 1985 the Secretary designated the former Office of the Inspector General as "the Office of the Program Inspector General", and designated the name "Office of the Inspector General" for the new Inspector General under the 1978 Act. When the new Office of the Inspector General becomes operational, it will receive the functions and responsibilities for conducting investigations and audits.

The Office of the Inspector General for Programs plans to transfer some 30 to 35 positions from its staff of 98 to the new Office of the Inspector General. There may be some modest reprogramming within Department resources to supplement the new office. This means that the new Office will start off with a reduced staff and share some service and administrative support with the Office of the Program Inspector General.

II. Current Programs

Until the new Office of the Inspector General becomes operational, the Office of the Program Inspector General will continue to perform the functions and responsibilities of both offices. Operational reforms begun during 1985 will continue to be implemented, including:

> An expanded in-house investigative capability to review questions of employee integrity and allegations of violations of criminal statutes.
>
> A program of functional audits of internal controls, procedures, and policies of those functions that consume major financial resources, designed to identify and make remedial recommendations on systemic problems or specific problems with high dollar values.

A system of program inspections of key substantive functions, focusing on the effectiveness of the Department in meeting its principal substantive foreign policy goals.

Revising procedures for inspecting and auditing Foreign Service posts to focus on the effectiveness of post management in meeting goals and objectives.

Revising products resulting from these efforts to make them more useful at all levels of Department and to provide a basis for systemic analysis of results.

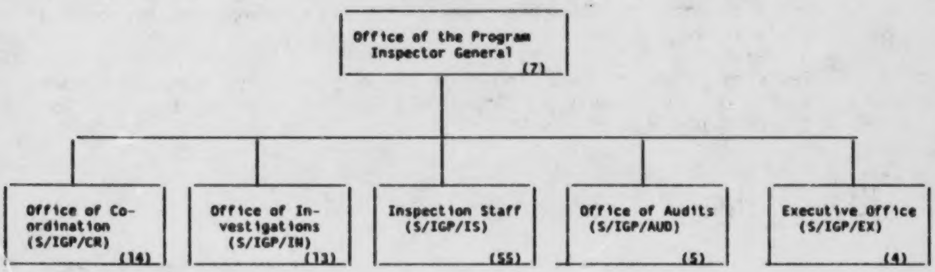
III. 1987 Plans

During 1987, the Office of the Program Inspector General will continue to refine the reforms put into place in 1985 and 1986. By 1987 there should be a sufficient information base to enable the Office of the Program Inspector General and the new Office of the Inspector General to more effectively address systemic problems in program and resource management and, thus, make a greater contribution to the overall management of the Department.

The new Office of the Inspector General will become increasingly involved in reviewing the Department's stewardship of major resource increases for physical and technical security and for countering international terrorism.

FY 1987
Organization Chart

Total Domestic Positions: 98


Office of the Program Inspector General (7)
Office of Co-ordination (S/IGP/CR) (14)
Office of Investigations (S/IGP/IN) (13)
Inspection Staff (S/IGP/IS) (55)
Office of Audits (S/IGP/AUD) (5)
Executive Office (S/IGP/EX) (4)

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Office of the Program Inspector General..................	7	7	7
Office of Coordination and Review....................	14	14	14
Office of Investigations....	13	13	13
Inspection Staff............	50	55	55
Office of Audits............	5	5	5
Executive Office............	3	4	4
Total....................	92	98	98

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS ($ in thousands)
	Americans				
	Dom.	Ovseas	FSNs	Total Pos.	Total Funds
1986 Estimate......................	98	--	--	98	$1,570
Built-In Changes					
Non-Recurring Decreases..........	--	--	--	--	-48
1987 Current Services..............	98	--	--	98	1,522
1987 Request (Budget Authority)....	98	--	--	98	1,522

Office of Protocol

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
59	$784	59	$816	59	$816	--	--

I. Summary

The Office of Protocol advises the President, Vice President and Secretary of State on matters of national and international protocol, and provides services to the diplomatic corps. The Office: manages ceremonies and events for visiting foreign dignitaries; coordinates protocol matters for Presidential and Vice Presidential trips abroad and makes arrangements for Presidential delegations abroad; conducts official ceremonies, functions or public events in which the President, Vice President, Secretary of State and other high-ranking U.S. Government officials participate. It also provides official gifts to be presented by the President, Vice President, Secretary of State and their spouses to foreign dignitaries. The Office of Protocol manages and maintains Blair House and its contents, including: making plans and arrangements to ensure the maximum comfort, convenience and well-being to foreign dignitaries in residence; planning and arranging special functions; and coordinating with the U.S. Secret Service on aspects of security. During the renovation of Blair House this Office is responsible for alternate housing of visiting dignitaries and supervision of the GSA renovation project.

Services to the diplomatic corps include accrediting foreign diplomatic and consular representatives and employees of international organizations and granting rights and immunities pursuant to the laws of the United States or any treaty or other international agreement to which the United States is a party.

II. Current Programs

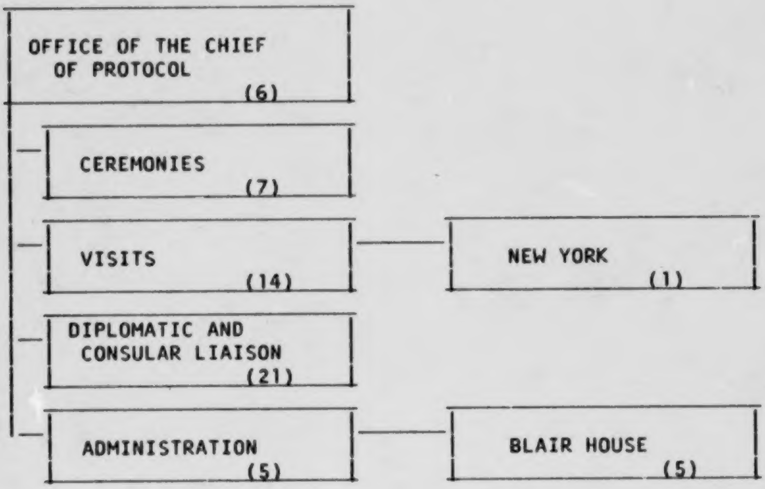
During 1985 the Office of Protocol has reorganized its Diplomatic and Consular Liaison Division to meet the Inspector General's recommendations on procedures for accrediting the foreign diplomatic community and meeting the new requirements placed by the Accreditations Review Panel. The Office has revised its automated data processing programs to increase the accuracy of its accreditations documents and to improve the efficiency of services provided the diplomatic corps.

III. 1987 Plans

In 1987 the Office of Protocol will continue to service the diplomatic corps including accreditation and registration of diplomatic, consular and service personnel. It will continue to work on special diplomatic cases and will work closely with the Office of Foreign Missions. By 1987 all newly accredited foreign government personnel will receive an identity credential with a corresponding letter issued informing the Embassy as to what status the individual has been accepted. The Protocol accreditations data base will be made available to other Government Agencies and authorities having a need for the information.

With the renovation of Blair House, which is scheduled to open in late 1987, there will be a great deal of activity in preparing for its opening such as: overseeing the project to make sure it stays on schedule; removing and repairing, as necessary, furniture and furnishings from storage; and procuring new items needed for the enlarged facility.

FY 1987
Organization Chart
Total Domestic Positions: 59


OFFICE OF THE CHIEF OF PROTOCOL (6)
CEREMONIES (7)
VISITS (14)
NEW YORK (1)
DIPLOMATIC AND CONSULAR LIAISON (21)
ADMINISTRATION (5)
BLAIR HOUSE (5)

FY 1987
Permanent Domestic Staff by Organization Unit
(dollars in thousands)

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Office of the Chief of Protocol	6	6	6
Ceremonials	7	7	7
Visits	15	15	15
Diplomatic and Consular Liaison	21	21	21
Blair House	5	5	5
Executive Director	5	5	5
Total	59	59	59

Legislative and Intergovernmental Affairs

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
52	$728	52	$768	52	$758	--	--

I. Summary

The Office of Legislative and Intergovernmental Affairs: promotes passage of administration-supported foreign policy legislation; provides dialogue with state and local government representatives to ensure better understanding and grass roots support for the administration's foreign policies; and assists the Secretary of State, Department Principals, and Department officials and staff to understand Congressional and state and local governmental attitudes toward foreign policy bills by providing them with timely, current information on Congressional perspectives.

II. Current Programs

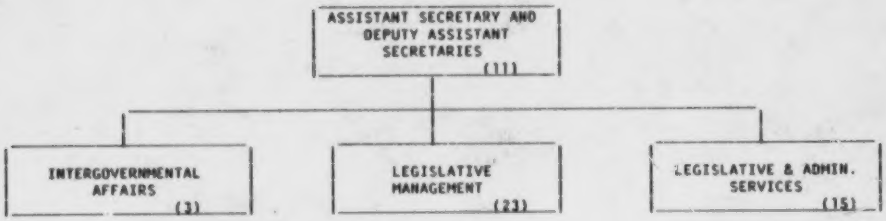
During 1985 and 1986, the Office promoted passage of the Administration's legislation by: serving as Departmental liaison with Members of Congress; providing timely information and materials to Congress on the Administration's position on critical issues; and establishing an effective system to respond in a timely manner to Congressional correspondence and requests for information, travel assistance and constituent services.

The Office also served as liaison with state and local governments by arranging briefings and conferences and serving as the focal point for foreign policy coordination with governors, state legislatures, other state officials, mayors, city council members, county officials, other local government personnel, organizations, and intergovernmental offices at the White House and other agencies. In addition, the Office assisted governors, mayors and national organizations with planning overseas export trade expansion and reverse investment missions.

Throughout 1985 to the present, the Office continues to perform functions including: coordination of Departmental responses to Congressional requests and inquiries on testimony, pending legislation, foreign policy positions, and constituent inquiries; obtaining salient information or assistance from state and local governments; serving as the point of contact with OMB, the White House and other agencies on pending legislation and testimony by Department officials; and maintaining a computerized service (Legi-Slate) to develop and analyze legislative trends on foreign policy issues.

FY 1987
Organization Chart

Total Domestic Positions: 52


ASSISTANT SECRETARY AND DEPUTY ASSISTANT SECRETARIES (11)
INTERGOVERNMENTAL AFFAIRS (3)
LEGISLATIVE MANAGEMENT (23)
LEGISLATIVE & ADMIN. SERVICES (15)

FY 1987
Permanent Domestic Staff by Organization Unit
(dollars in thousands)

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Assistant Secy. & Deputies..	11	11	11
Intergovernmental Affairs...	3	3	3
Legislative Management......	23	23	23
Legislative & Admin. Svcs...	15	15	15
Total....................	52	52	52

Oceans and International Environmental and Scientific Affairs

FY 1987

Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
140	$1,704	141	$1,820	146	$1,832	5	$12

I. Summary

The Bureau of Oceans and International Environmental and Scientific Affairs (OES) is responsible for assuring that oceans, non-proliferation, scientific, technological, environmental concerns, population and related areas are taken into account in the formulation of U.S. foreign policy. OES represents the U.S. Government in international organizations and negotiations as well as the Department on interagency policy groups and committees, and serves as the central point of contact for liaison on international functional policies and programs with other agencies, providing foreign policy guidance and coordination. The Bureau also represents the U.S. Government in multilateral and bilateral negotiations, and acts as a point of contact and liaison between the Department, U.S industry, and other components of the private sector.

II. Current Programs

Bilateral agreements for nuclear cooperation were concluded this year with Finland, and are currently underway with EURATOM (the nuclear arm of the European Community) and Japan. Bilateral agreements for energy technology cooperation which were concluded, or renewed, included U.K., Israel, Italy, Federal Republic of Germany, and Mexico. Negotiations for energy technology cooperation being conducted, or under consideration, include Israel, China, U.K., France, the Federal Republic of Germany, and Brazil. The Bureau plays a pivotal role for nuclear safeguards. Part of the Bureau's responsibility is management and direction of the U.S. Program of Technical Assistance to International Atomic Energy Agency (IAEA) Safeguards (POTAS), which is funded under the Foreign Assistance Act ($6 million in 1985).

The Bureau has continued its efforts to convince industrial allies not to sign the UN Law of the Sea Convention until changes regarding deep-seabed mining are effected. It negotiated a new fishery agreement with China; others with the Soviet Union and Poland are expected to be renegotiated. It also played a major role in the successful conclusion and ratification of the U.S.-Canada Pacific Salmon Treaty and in passage of implementing legislation. Efforts are continuing to establish a comprehensive fishery agreement with countries in the Western Pacific Ocean to protect important U.S. tuna interests there. Negotiations relating to the resources of Antarctica, both living marine and mineral, have continued with great success from the U.S viewpoint. As a result of the U.S. withdrawal from UNESCO, the Bureau has continued to seek funding for programs of UNESCO's Intergovernmental Oceanographic Commission which are important to the United States.

The Bureau manages cooperative science and technology (S&T) programs with other countries on behalf of U.S. technical agencies. An S&T agreement was signed with Finland, and agreements were extended with Japan and Australia. Two additional protocols were concluded (now 24) under the umbrella agreement with China. Review of the U.S./Japan non-energy S&T agreement is being completed; the results to be used to develop the U.S. negotiating position for renewal of the agreement, which expires in 1987.

The President, in his 1984 State of the Union address, invited friends and allies to join in placing into orbit a permanently manned space station by the early 1990's; the Bureau participates in negotiations with Europe, Japan, and Canada, and in the preliminary design phase of the project. Talks resulted in the signing of three separate memoranda of understanding in 1985. The Bureau also actively participates on the UN Committee on the Peaceful Uses of Outer Space (COPUOS), and in efforts within the U.S. Government toward commercialization of expendable launch vehicles. It helped develop U.S. positions on outer space disarmament, and policy toward bilateral cooperation on space with the Soviet Union.

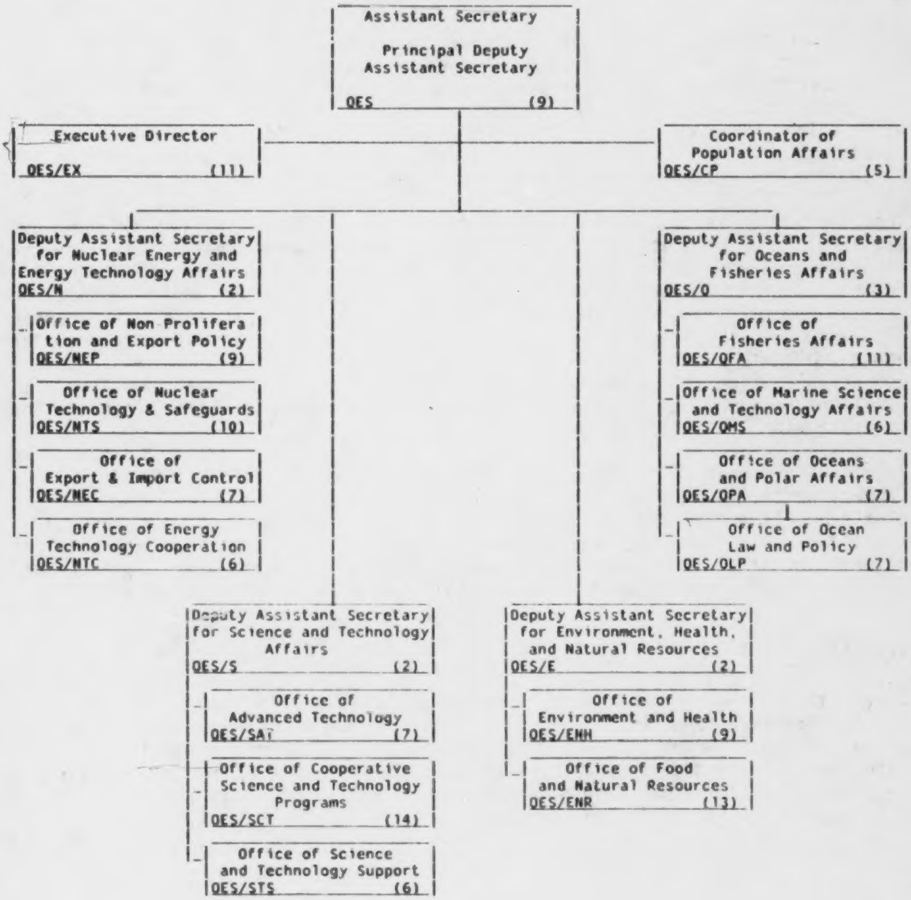
In the environmental field, the Bureau led negotiations resulting in a Convention on the Protection of the Ozone Layer; a protocol to reduce sulfur dioxide pollution; and guidelines to protect the oceans from land-based sources of pollution. The Bureau plays a lead role for tropical deforestation policy, positions on desertification, and coordinates with Justice and Interior intensified efforts to curtail illegal trade in endangered wildlife.

III. 1987 Plans

In addition to a continuation of ongoing programs, the Bureau will also will be implementing and monitoring programs of spent fuel reprocessing and plutonium use; responding to the Congessional mandate to participate in interagency reviews and evaluation of development loans of the World Bank and regional development banks; and processing voluminous foreign notifications of U.S. exports of hazardous toxic wastes.

FY 1987
Organization Chart

Total Domestic Positions: 146


Assistant Secretary
Principal Deputy Assistant Secretary
OES (9)
Executive Director
OES/EX (11)
Coordinator of Population Affairs
OES/CP (5)
Deputy Assistant Secretary for Nuclear Energy and Energy Technology Affairs
OES/N (2)
Office of Non Proliferation and Export Policy
OES/NEP (9)
Office of Nuclear Technology & Safeguards
OES/NTS (10)
Office of Export & Import Control
OES/NEC (7)
Office of Energy Technology Cooperation
OES/NTC (6)
Deputy Assistant Secretary for Oceans and Fisheries Affairs
OES/O (3)
Office of Fisheries Affairs
OES/OFA (11)
Office of Marine Science and Technology Affairs
OES/OMS (6)
Office of Oceans and Polar Affairs
OES/OPA (7)
Office of Ocean Law and Policy
OES/OLP (7)
Deputy Assistant Secretary for Science and Technology Affairs
OES/S (2)
Office of Advanced Technology
OES/SAT (7)
Office of Cooperative Science and Technology Programs
OES/SCT (14)
Office of Science and Technology Support
OES/STS (6)
Deputy Assistant Secretary for Environment, Health, and Natural Resources
OES/E (2)
Office of Environment and Health
OES/ENH (9)
Office of Food and Natural Resources
OES/ENR (13)

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
The Assistant Secretary......	9	9	9
Coordinator of Population Affairs....................	5	5	5
Office of the Executive Director..................	11	11	11
Deputy Assistant Secretary for Nuclear Energy and Energy Technology Affairs.	2	2	2
Office of Non-Proliferation and Export Policy.........	9	9	9
Office of Nuclear Technology and Safeguards............	8	8	10
Office of Export and Import Control...................	7	7	7
Office of Energy Technology Cooperation...............	6	6	6
Deputy Assistant Secretary for Oceans and Fisheries Affairs..................	3	3	3
Office of Fisheries Affairs..	11	11	11
Office of Marine Science and Technology Affairs....	6	6	6
Office of Oceans and Polar Affairs..................	7	7	7
Office of Ocean Law and Policy....................	7	7	7
Deputy Assistant Secretary for Science and Technology Affairs..................	2	2	2
Office of Advanced Technology	7	7	7
Office of Cooperative Science and Technology Programs...	13	14	14
Office of Science and Technology Support........	6	6	6
Deputy Assistant Secretary for Environment, Health and Natural Resources.....	2	2	2
Office of Environment and Health....................	8	8	9
Office of Food and Natural Resources.................	11	11	13
Total....................	140	141	146

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate	141	--	--	141	$1,820
1987 Current Services	141	--	--	141	1,820
Program Changes					
Reporting and Analysis	5	--	--	5	12
1987 Request (Budget Authority)	146	--	--	146	1,832

Office of the Legal Adviser

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
167	$4,032	167	$4,125	167	$4,125	--	--

I. Summary

The Office of the Legal Adviser provides legal advice and services to the Secretary of State, Departmental offices, diplomatic and consular posts abroad, as well as to other U.S. Government agencies on all legal matters, domestic and international, arising in the course of the Department's activities. The Office performs a number of special functions within the Department including: drafting, negotiating and interpreting treaties and international agreements; providing support for the Administration's foreign affairs legislative initiatives; assuring that the Department meets its statutory requirements, legal procedures and litigation responsibilities; and, preparing for and participating in an increasing number of international legal proceedings. The Legal Adviser frequently represents the Department of State on matters of domestic and international law. For example, the Legal Adviser usually acts as "agent" for the United States Government in cases before the International Court of Justice (ICJ).

Of the 167 permanent employees assigned to the Office of the Legal Adviser in 1985, 89 were attorneys and the remaining 78 were support personnel, including paralegal specialists, foreign affairs and treaty specialists, secretaries and administrative personnel. All of these employees are located in Washington. However, members of the Office serve as legal counsels at various overseas offices such as: the U.S. Agent to the Iran/United States Claims Tribunal at The Hague, The Netherlands; the U.S. Mission in Geneva, Switzerland; the U.S. Mission in Berlin, West Germany; the U.S. Embassy in Bonn, West Germany; and the Multinational Force and Observers in Rome, Italy.

II. Current Programs

The Office of the Legal Adviser continues to provide timely and effective legal advice and services in response to the priority needs of the Department which include:

-- meeting the statutory and other legal requirements and procedures applicable to the Department's activities;

- -- assuring that relevant domestic and international legal considerations are taken into account in the formulation and execution of of US foreign policy; and,

- -- providing leadership in the development of effective international law and legal institutions and dealing with Congressional and public requests for assistance on legal questions.

The growing complexity of international relations and issues results in ever increasing demands for legal support. The Office continues to be called on to provide legal assistance critical to a wide range of highly sensitive international problems and foreign affairs matters such as: the recent bombings and hostage situations in Lebanon; peace initiatives in Central America and the Middle East; mutual legal assistance agreements; extradition; the Genocide Convention; repatriating the Mariel Cubans; and representing the United States before the ICJ in international disputes.

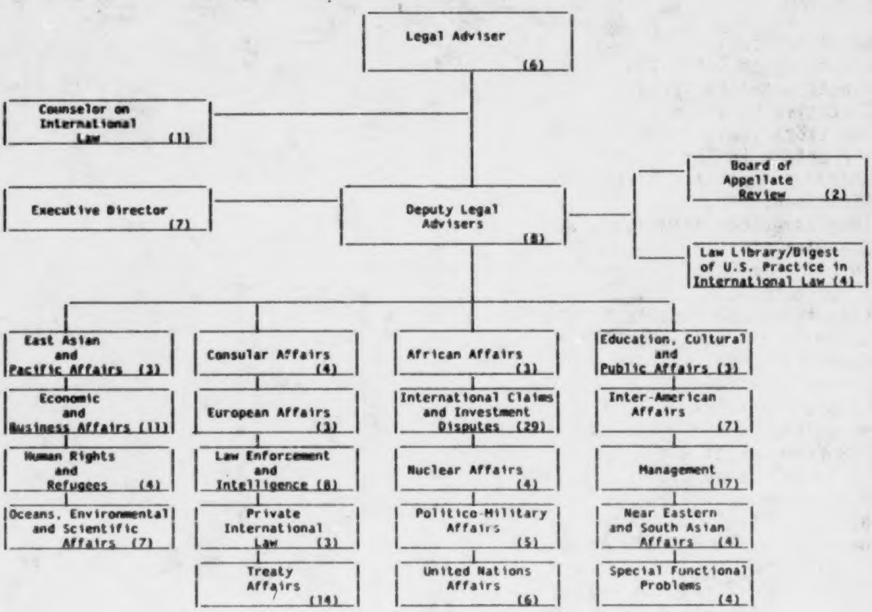
The Department typically turns to the Office of the Legal Adviser to represent the interests of the United States, in international legal actions. While such disputes generally cannot be anticipated in advance, the Office must be prepared to respond quickly and effectively. Often, a considerable investment of resources is required to support a legal staff and to finance the ancillary costs for establishing a base of operations abroad.

Resolution of outstanding claims against the Government of Iran is also a major ongoing concern for the Office. The Algiers Accords of January 19, 1981, which led to the release of U.S. citizens held hostage in Iran, set up the Iran/United States Claim Tribunal to arbitrate intergovernmental and individual claims. The Office is responsible for handling these claims for the United States and its nationals, and for defending against claims by Iran and its nationals. Both Iran and the United States share equally in providing support for the Tribunal.

In addition, important international boundary issues will draw heavily on the resources of the Office of the Legal Adviser over the next several years. Among the more significant of these concerns is the delimitation of the maritime boundary, off Alaska, between the United States and the Soviet Union. This is an important and complex issue that involves substantial national interests, political as well as economic.

FY 1987
Organization Chart

Total Domestic Positions: 167


Legal Adviser (6)
Counselor on International Law (1)
Executive Director (7)
Deputy Legal Advisers (8)
Board of Appellate Review (2)
Law Library/Digest of U.S. Practice in International Law (4)
East Asian and Pacific Affairs (3)
Economic and Business Affairs (11)
Human Rights and Refugees (4)
Oceans, Environmental and Scientific Affairs (7)
Consular Affairs (4)
European Affairs (3)
Law Enforcement and Intelligence (8)
Private International Law (3)
Treaty Affairs (14)
African Affairs (3)
International Claims and Investment Disputes (29)
Nuclear Affairs (4)
Politico-Military Affairs (5)
United Nations Affairs (6)
Education, Cultural and Public Affairs (3)
Inter-American Affairs (7)
Management (17)
Near Eastern and South Asian Affairs (4)
Special Functional Problems (4)

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Legal Adviser	6	6	6
Counselor on Int'l Law	1	1	1
Deputy Legal Advisers	8	8	8
Executive Director	7	7	7
Law Library/Digest of U.S. Practice in Int'l Law	4	4	4
Board of Appellate Review	2	2	2
African Affairs	3	3	3
Inter-American Affairs	7	7	7
Consular Affairs	4	4	4
Int'l Claims and Investment Disputes	29	29	29
East Asian and Pacific Affairs	3	3	3
Economic and Business Affairs	11	11	11
Education, Cultural and Public Affairs	3	3	3
European Affairs	3	3	3
Human Rights and Refugees	4	4	4
Law Enforcement and Intelligence	8	8	8
Management	17	17	17
Nuclear Affairs	4	4	4
Near Eastern and South Asian Affairs	4	4	4
Oceans, Environmental and Scientific Affairs	7	7	7
Private International Law	3	3	3
Politico-Military Affairs	5	5	5
Special Functional Problems	4	4	4
Treaty Affairs	14	14	14
United Nations Affairs	6	6	6
Total	167	167	167

Bureau of Economic and Business Affairs

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
229	$2,308	233	$2,055	238	$2,090	5	$35

I. Summary

The primary goal of the Bureau of Economic and Business Affairs is to protect and advance U.S. economic, political, and security interests by effective management of U.S. bilateral and multilateral economic relations. Achievement of this goal is sought through initiatives in the fields of trade, energy, transportation, finance, development, food and resources policy.

International economic policy continues to dominate most U.S. bilateral and multilateral relationships. Economic issues influence or are influenced by virtually every international agreement and every aspect of U.S. foreign policy. Increasingly, economic policy has emerged as an effective foreign policy tool in supplementing traditional political or military approaches to global issues. As the Department's focal point for all international economic policy matters, the Bureau's responsibilities have continued to grow in direct proportion to the increased role of economic factors in U.S. foreign policy and strategic interests as well as the growing interrelationship of international economics and U.S. domestic policy.

II. Current Programs

The Bureau has focused its resources on diverse economic issues, many having strong effects on U.S. global relations. Heavy emphasis has been placed on strengthening world-wide economic recovery, promoting trade development and restraining potentially damaging protectionist actions in the wake of record U.S. trade deficits. Equal emphasis has been placed on reducing strains on the international monetary system and dealing with acute international debt problems, particularly in Latin America and Africa. The Bureau has played a key role in administering trade controls in accordance with U.S. foreign policy and security interests, responding to the volatile global energy situation complicated by Persian Gulf hostilities and resulting potential strategic supply disruption concerns.

The Bureau has focused on effectively using food and multilateral assistance programs to achieve foreign policy objectives; promoting stable commodity and strategic materials markets; ensuring an orderly international communications environment within the context of rapid technological development and the exchange of electronically transmitted data across international borders; and gaining improved international aviation, maritime and land transport agreements in concert with deregulation and intense international transportation competition.

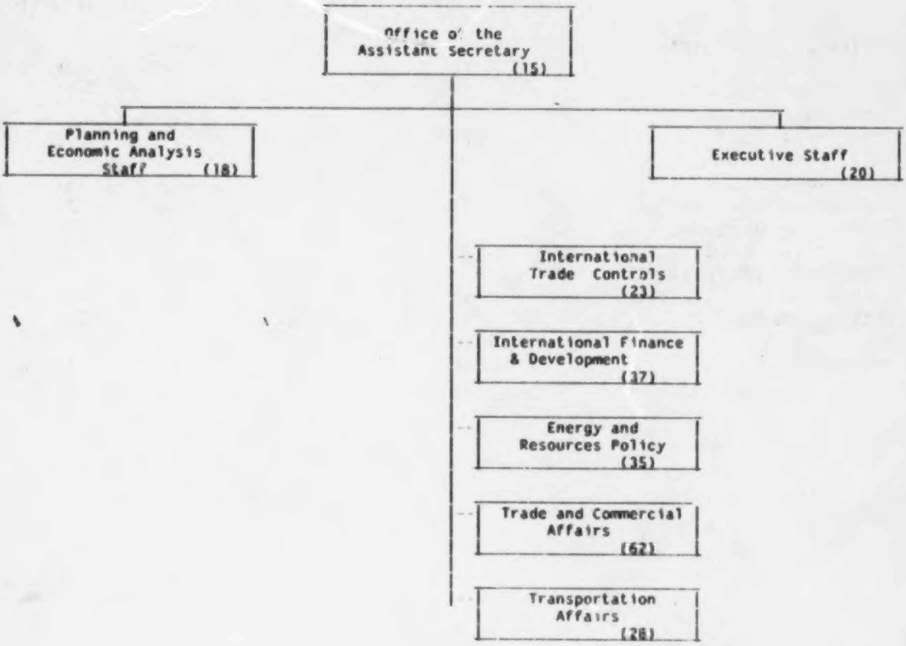
III. 1987 Plans

In 1987, high priority objectives will include economic actions aimed at substantially reducing the U.S. trade deficit; promoting West European policy to attract capital and stimulate domestic investment; inducing Japan to take steps necessary to open its markets and reduce the impact of its high rate of domestic saving on its trade surplus; stimulating developing nations to make structural changes needed to stabilize their economies, reduce the economic burden of government, expand trade and stimulate growth; enhancing energy security with emphasis on consultations with Canada and the International Energy Agency (IEA); and supporting measures to promote freer international trade and prepare for early commencement of a new round of multilateral trade negotiations.

The 1987 request of five positions included in this request will strengthen the Bureau's capacity to: manage heightened bilateral export control enforcement efforts; address increased workload resulting from growth of trade in services issues; and provide staff support in the Office of the Deputy Assistant Secretary for Trade and Commercial Affairs in response to growing workload.

FY 1987
Organization Chart

Total Domestic Positions: 238


Office of the Assistant Secretary (15)
Planning and Economic Analysis Staff (18)
Executive Staff (20)
International Trade Controls (23)
International Finance & Development (37)
Energy and Resources Policy (35)
Trade and Commercial Affairs (62)
Transportation Affairs (26)

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Office of the Assistant Secretary................	15	15	15
Executive Director..........	20	20	20
Planning and Economic Analysis Staff............	18	18	18
Intl. Finance and Development...............	37	37	37
Transportation Affairs......	27	28	28
Energy and Resources Policy....................	35	35	35
Trade and Commercial Affairs..................	58	59	62
Intl. Trade Controls........	19	21	23
Total..................	229	233	238

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate......................	233	--	--	233	$2,055
1987 Current Services..............	233	--	--	233	2,055
Program Changes					
Reporting and Analysis...........	5	--	--	5	35
1987 Request (Budget Authority)....	238	--	--	238	2,090

Bureau of International Communications and Information Policy

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
32	$387	32	$387	32	$387	--	--

I. Summary

The Bureau of International Communications and Information Policy was established in June, 1985. The Bureau combines the functions and personnel previously assigned to to the Office of the Coordinator for International Communication and Information Policy, and the Office of International Communications Policy, formerly in the Bureau of Economic and Business Affairs.

The Bureau has primary responsibility for the formulation, coordination, implementation, and oversight of international communications and information policy. As such, the Bureau: maintains liaison and consults with Executive Branch departments and agencies in the formulation of U.S positional strategies and policy; oversees the participation in negotiations with foreign governments; and it has responsibility for providing guidance and instructions to U.S. representatives to international conferences and meetings dealing with communictions and information issues. The Bureau has initiated a formal program of bilateral consultations with foreign governments on communications and information matters, and maintains liaison in those areas with representatives of the private sector. On behalf of the Under Secretary for Security Assistance, Science and Technology, the Bureau coordinates and supervises the activities of the Senior Inter-agency Group on International Communications and Information Policy.

II. Current Programs

The political and strategic issues in communications and information policies are complex, and in the long term, profound. Secure defense communications and continued development of satellite capabilities are essential. Behind a revolution in technology, however, lie basic political questions already being disputed in U.N. forums. The seemingly "technical" subjects of frequency allocations, computers, satellites, and microwave and optical fiber systems, involve major issues including how the world's social institutions evolve.

The approach of the Bureau on substantive issues is to build on existing structures and expertise and particular emphasis has been placed on the Senior Interagency Group on International Communications and Information Policy (SIG). The SIG provides the principal forum for the fourteen Executive Branch agencies and the Federal Communications Commission (FCC) which have primary interests and expertise in this area. The Bureau oversees and coordinates the work of numerous ongoing and ad hoc SIG interagency working groups as well as intradepartmental groups which are constituted to deal with both current and long-range policy concerns. The Bureau also places particular emphasis on the identification and coordination of long-range policy issues.

In addition to the ITU, there are a number of other multilateral organizations in which the U.S. has increasing communication and information policy interests, including the Organization for Economic Cooperation and Development (OECD), Universal Postal Union, World Intellectual Property Organization, International Standards Organization, The Organization of American States' (OAS), Committee on Telecommunications (CITEL), International Program for Communications Development and the United Nations Development Program. Another priority of the Bureau is to conduct high level comprehensive bilateral discussions with other governments. Such meetings have already been held with the United Kingdom, the Federal Republic of Germany, The Netherlands, Canada, Mexico, Japan and Italy. Less formal contacts have been made with several other countries including Brazil, Argentina and Chile.

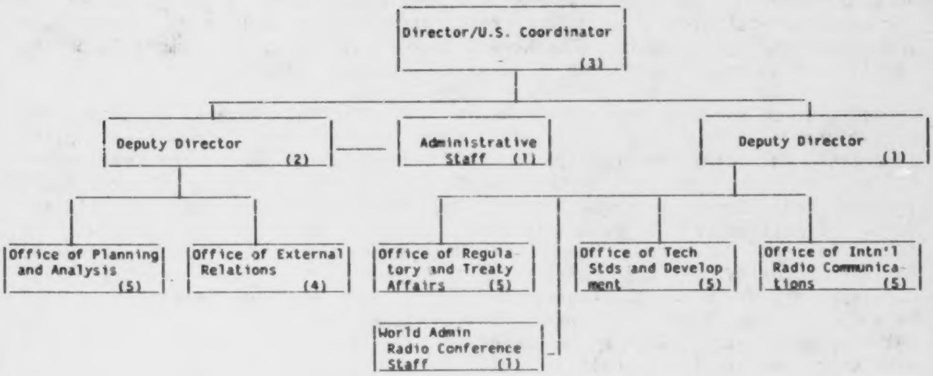
In addition to our inter and intra-governmental efforts is the Bureau's work with the U.S. private sector. There are a number of formal and informal public advisory bodies such: as the U.S. Committees on the Consultative Committee for International Telegraph and Telephone (CCITT); the Consultative Committee for International Radio (CCIR); the Working Group on Transborder Data Flow; and the U.S. Council on UNESCO.

III. 1987 Plans

During 1987, the Bureau will continue to pursue current program initiatives. The Bureau has identified additional high priority objectives to include: the systematic upgrading of the level and quality of reporting and information exchange between foreign capitals and Washington via our embassies abroad; the development of a government-wide information system to expedite the flow of vital information among agencies concerned with the issues; and the review of the structure and effectiveness of existing public advisory bodies that facilitate the vital exchange of information between government and private interests.

FY 1987
Organization Chart

Total Domestic Positions: 32


Director/U.S. Coordinator (3)
Deputy Director (2)
Administrative Staff (1)
Deputy Director (1)
Office of Planning and Analysis (5)
Office of External Relations (4)
Office of Regulatory and Treaty Affairs (5)
Office of Tech Stds and Development (5)
Office of Intn'l Radio Communications (5)
World Admin Radio Conference Staff (1)

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Director/U.S. Coordinator	3	3	3
Deputy Director	2	2	2
Deputy Director	1	1	1
Office of Planning and Analysis	5	5	5
Office of External Relations	4	4	4
Office of Regulatory and Treaty Affairs	5	5	5
Office of Technical Standards and Development	5	5	5
Office of International Radio Communications	5	5	5
Office of World Administrative Radio Conference Staff	1	1	1
Executive Director/Administrative Staff	1	1	1
Total....................	32	32	32

Bureau of Intelligence and Research

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Positions	Funds	Positions	Funds	Positions	Funds	Positions	Funds
333	$2,894	333	$4,242	367	$5,796	34	$1,554

I. Summary

The functions of the Bureau of Intelligence and Research (INR) are to provide: the Secretary and Principal officers of the Department, geographic and functional bureaus, and missions overseas, with policy-relevant and timely intelligence analysis; timely and secure intelligence information handling services; and Departmental representation in the Intelligence Community (IC).

In the analytical area, INR's highest priority is current intelligence; including both short term assessments and more specialized evaluations designed to assist policymakers in the decision making process. INR is also responsible for longer range intelligence analyses, and contributions to interagency intelligence assessments. Additionally, INR develops and manages the Department's needs for external research and conferences on policy issues, and coordinates efforts among U.S. Government agencies in support of foreign affairs research.

II. Current Programs

During 1986, INR objectives for intelligence analysis include preparation of regular and special reports such as: the current reports section of the Secretary's Morning Summary; weekly serial reports such as the Inter-American Highlights; Political-Military Analyses; and the Arab-Israeli Highlights. INR also publishes reports for wide circulation throughout the Department, overseas missions, and other U.S. Government agencies. Additionally, INR continues to increase the production of long range assessments by meshing its own activities with external analysis.

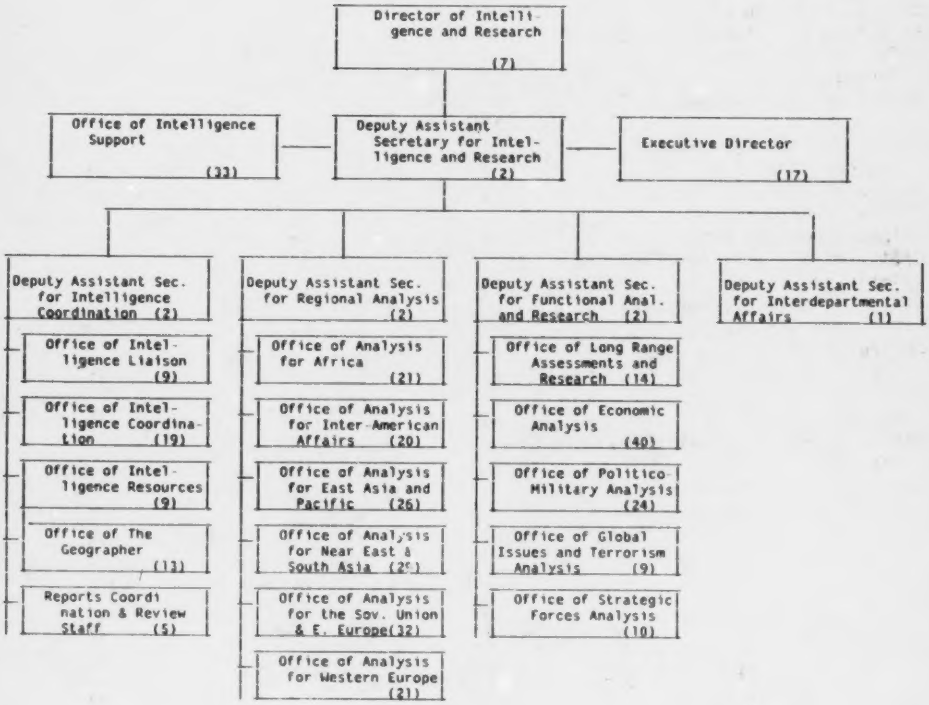
III. 1987 Plans

In 1987, INR will continue to move forward on its modernization program, particularly in the field of information handling. The Information Handling System (IHS) will be compatible with other advanced systems in use throughout the Intelligence Community. As a result of this system, INR will be able to produce for the Secretary of State and other end-users, rapid integrated analyses from Foreign Service reporting and other intelligence sources. Other bureau activities to be performed in 1987 include: maintaining the 24 hour, seven-day-a-week watch; reviewing and disseminating intelligence reports for policy offices; and maintaining telecommunications links with the IC agencies, the White House and American Embassies and Consulates abroad.

Bureau of Intelligence and Research

FY 1987
Organization Chart

Total Positions: 367


Director of Intelligence and Research (7)
Office of Intelligence Support (33)
Deputy Assistant Secretary for Intelligence and Research (2)
Executive Director (17)
Deputy Assistant Sec. for Intelligence Coordination (2)
Office of Intelligence Liaison (9)
Office of Intelligence Coordination (19)
Office of Intelligence Resources (9)
Office of The Geographer (13)
Reports Coordination & Review Staff (5)
Deputy Assistant Sec. for Regional Analysis (2)
Office of Analysis for Africa (21)
Office of Analysis for Inter-American Affairs (20)
Office of Analysis for East Asia and Pacific (26)
Office of Analysis for Near East & South Asia (29)
Office of Analysis for the Sov. Union & E. Europe(32)
Office of Analysis for Western Europe (21)
Deputy Assistant Sec. for Functional Anal. and Research (2)
Office of Long Range Assessments and Research (14)
Office of Economic Analysis (40)
Office of Politico-Military Analysis (24)
Office of Global Issues and Terrorism Analysis (9)
Office of Strategic Forces Analysis (10)
Deputy Assistant Sec. for Interdepartmental Affairs (1)

Bureau of Intelligence and Research

FY 1987
Permanent Staff by Organization Unit
(dollars in thousands)

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Office of the Director......	7	7	7
Office of the Deputy Assistant Secretary.........	2	2	2
Office of the Executive Director..................	17	17	17
Office of Intelligence Support...................	31	31	33
Deputy Assist. Secretary for Regional Analysis..........	2	2	2
Office of Analysis for Africa	19	19	21
Office of Analysis for Inter-American Affairs....	19	19	20
Office of Analysis for East Asia and Pacific..........	23	23	26
Office of Analysis for Near East and S. Asia..........	27	27	29
Office of Analyis for the Soviet Union and East Europe	30	30	32
Office of Analysis for Western Europe............	19	19	21
Office of Political-Military Analysis..................	21	21	24
Deputy Assist. Secretary for Intelligence Coordination	2	2	2
Office of Intelligence Coord	13	13	19
Office of Intelligence Liaison..................	8	8	9
Office of Intelligence Resources.................	8	8	9
Deputy Assist. Sec. for Funct. Analysis & Research	2	2	2
Office of Global Issues.....	6	6	9
Office of Long-Range Assessment & Research.....	13	13	14
Office of Economic Analysis.	38	38	40
Office of Geographer........	12	12	13
Reports and Coordination and Review Staff..........	4	4	5
Deputy Assist. for Interdepartmental Affairs......	1	1	1
Office of Strategic Forces Analysis.................	9	9	10
Total...................	333	333	367

Bureau of Intelligence and Research

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate......................	333	--	--	333	$4,242
1987 Current Services..............	333	--	--	333	4,242
Program Changes					
Reporting and Analysis...........	27	5	--	32	698
Information Systems..............	2	--	--	2	856
SUBTOTAL, Program Changes..........	29	5	--	34	1,554
1987 Request (Budget Authority)....	362	5	--	367	5,796

Bureau of African Affairs

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
1,782	$78,774	1,810	$84,066	1,897	$89,255	87	$5,189

I. Summary

The Bureau of African Affairs has responsibility for the African continent exclusive of Morocco, Algeria, Tunisia, Libya, and Egypt.

The U.S. is continuing its efforts to promote regional security and to facilitate constructive change and negotiated solutions in southern Africa. We have taken a leading role in negotiations designed to bring about the independence of Namibia and the withdrawal of Cuban troops from Angola. The Administration urges continued assistance to states that are essential to negotiating regional peace and stability. It is important that we provide a Western option to southern African states. In our contact with the Government of South Africa we encourage peaceful internal reform and regional policies that enhance security. In view of the escalating violence in South Africa, we have stepped up our efforts to encourage the Government to negotiate seriously with non-white leaders and to begin the process of dismanteling apartheid.

The USG maintains cooperative relations with all friendly African nations. We demonstrate our interest in the region through visits, invitations and the exchange of delegations. In addition to the countries in southern Africa, countries currently of greatest importance are Sudan and Liberia, both on precipitous paths to democracy following years of military rule.

Countering Libyan, Soviet and Cuban influence in Africa is crucial to U.S. policy toward the continent. In concert with our allies, we promote peaceful resolution of disputes which might otherwise be exploited by communist destabilizing forces and provide military aid where appropriate to threatened states. A case in point is our effort, with France, to help the legitimate government of Chad defend its territory from Libyan aggression.

On economic issues, the United States seeks mutually advantageous relations with African nations. Our goal is to improve U.S. coordination of trade and investment promotion, thereby encouraging greater African receptivity to private foreign investment. We support legislative and policy changes that make it easier for Americans to do business in Africa.

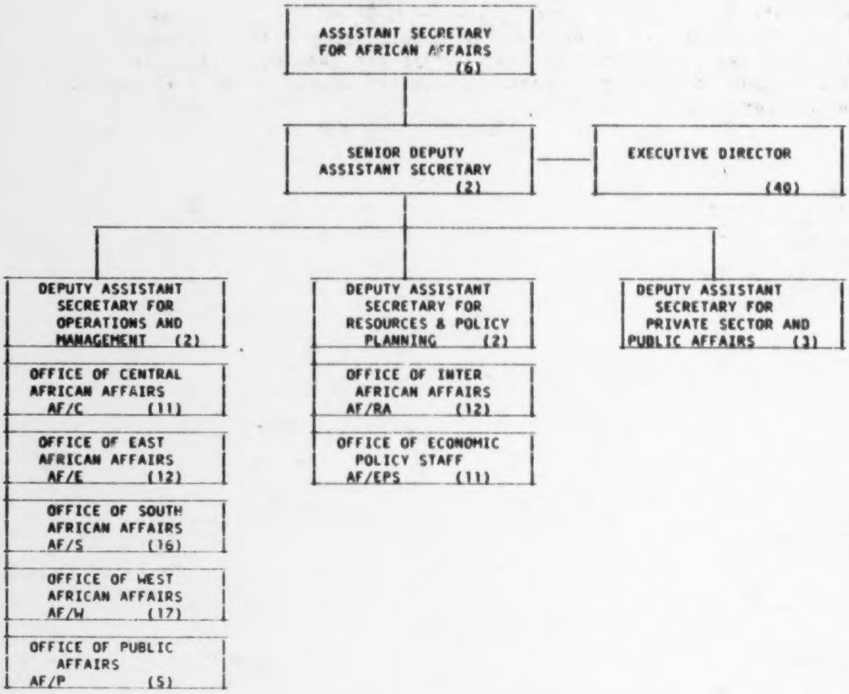
We recognize that many countries on the continent have severe economic crises. We believe that many economic problems can be eased through improved coordination with the International Monetary Fund, other donors and private creditors. Through programs like the African Economic Policy Reform Program (AEPRP), the Administration supports generous aid and debt relief terms to those countries that are serious about structural reforms.

Human rights in Africa is a key issue in U.S. policy. We believe that we can best address human rights problems on the continent by supporting democratic institutions and practices in states that are seeking to improve their human rights records and by speaking out against human rights abuses when and whenever they occur.

Bureau of African Affairs

FY 1987
Organization Chart

Total Domestic Positions: 139


ASSISTANT SECRETARY FOR AFRICAN AFFAIRS (6)
SENIOR DEPUTY ASSISTANT SECRETARY (2)
EXECUTIVE DIRECTOR (40)
DEPUTY ASSISTANT SECRETARY FOR OPERATIONS AND MANAGEMENT (2)
DEPUTY ASSISTANT SECRETARY FOR RESOURCES & POLICY PLANNING (2)
DEPUTY ASSISTANT SECRETARY FOR PRIVATE SECTOR AND PUBLIC AFFAIRS (3)
OFFICE OF CENTRAL AFRICAN AFFAIRS AF/C (11)
OFFICE OF EAST AFRICAN AFFAIRS AF/E (12)
OFFICE OF SOUTH AFRICAN AFFAIRS AF/S (16)
OFFICE OF WEST AFRICAN AFFAIRS AF/W (17)
OFFICE OF PUBLIC AFFAIRS AF/P (5)
OFFICE OF INTER AFRICAN AFFAIRS AF/RA (12)
OFFICE OF ECONOMIC POLICY STAFF AF/EPS (11)

Bureau of African Affairs

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Assistant Secretary for African Affairs..........	6	6	6
Senior Deputy Asssistant Secretary................	2	2	2
Office of Exe. Director.	39	39	40
Deputy Assistant Secretary for Oper. and Mngt........	2	2	2
Office of Cen. Afr. Affairs	11	11	11
Office of East Afr. Affairs	11	11	12
Office of So. Afr. Affairs	15	15	16
Office of West Afr. Affairs	17	17	17
Office of Public Affairs..	5	5	5
Deputy Asst. Secretary for Resource & Policy Planning	2	2	2
Office of Regional Affairs	11	12	12
Office of Econ. Policy Staff..................	11	11	11
Deputy Asst. Secretary for Private Sector & Public Affairs..................	3	3	3
Total..................	135	136	139

Bureau of African Affairs

Permanent Staff by Post

Country and Post	1985 Actual			1986 Estimate			1987 Request		
	Amer.	FSN	Total	Amer.	FSN	Total	Amer.	FSN	Total
Angola, Luanda	5	5	10	5	5	10	5	5	10
Benin, Cotonou	4	12	16	6	12	18	6	15	21
Botswana, Gaborone	10	11	21	10	11	21	11	11	22
Burkina-Faso, Ouagadougou	11	20	31	12	20	32	12	21	33
Burundi, Bujumbura	6	17	23	7	17	24	7	19	26
Cameroon, Yaounde	19	37	56	19	37	56	20	37	57
Douala	2	3	5	3	3	6	3	3	6
Subtotal, Cameroon	21	40	61	22	40	62	23	40	63
Cape Verde, Praia	5	8	13	5	8	13	5	9	14
Central African Rep., Bangui	7	12	19	9	12	21	10	12	22
Chad, N'Djamena	9	7	16	9	7	16	10	14	24
Comoros, Moroni	3	3	6	3	3	6	3	3	6
Congo, Brazzaville	7	11	18	8	11	19	9	11	20
Djibouti (Rep. of), Djibouti	4	9	13	5	9	14	7	10	17
Equatorial Guinea, Malabo	3	5	8	5	5	10	5	6	11
Ethiopia, Addis Ababa	10	36	46	10	36	46	10	36	46
Gabon, Libreville	8	18	26	8	18	26	10	18	28
Gambia, Banjul	4	8	12	5	8	13	5	8	13
Ghana, Accra	18	39	57	18	39	57	19	39	58
Guinea, Conakry	8	20	28	10	20	30	10	20	30
Guinea-Bissau, Bissau	5	6	11	6	6	12	6	6	12
Ivory Coast, Abidjan	37	63	100	37	63	100	39	66	105
Kenya, Nairobi	49	58	107	49	58	107	50	59	109
Mombasa	3	2	5	3	2	5	3	3	6
Subtotal, Kenya	52	60	112	52	60	112	53	62	115
Lesotho, Maseru	7	6	13	7	6	13	7	6	13
Liberia, Monrovia	29	50	79	29	50	79	31	51	82
Madagascar, Antananarivo	6	15	21	7	15	22	10	15	25
Malawi, Lilongwe	10	12	22	10	12	22	11	13	24
Mali, Bamako	13	25	38	14	25	39	14	25	39
Mauritania, Nouakchott	8	5	13	8	5	13	9	6	15
Mauritius, Post Louis	6	8	14	7	8	15	7	8	15
Mozambique, Maputo	7	10	17	7	10	17	10	12	22
Namibia, Windhoek	--	--	--	--	--	--	--	--	--
Niger, Niamey	11	19	30	11	19	30	12	19	31
Nigeria, Lagos	41	96	137	42	96	138	43	100	143
Enugu	3	1	4	3	1	4	4	1	5
Kaduna	5	7	12	5	7	12	5	7	12
Subtotal, Nigeria	49	104	153	50	104	154	52	108	160

Bureau of African Affairs

Permanent Staff by Post

	1985 Actual			1986 Estimate			1987 Request		
Country and Post	Amer.	FSN	Total	Amer.	FSN	Total	Amer.	FSN	Total
Rwanda, Kigali	7	19	26	7	19	26	7	19	26
Senegal, Dakar	19	29	48	19	29	48	20	32	52
Seychelles, Victoria	4	4	8	5	4	9	5	4	9
Sierra Leone, Freetown	7	17	24	7	17	24	8	17	25
Somali Rep., Mogadishu	17	30	47	17	30	47	17	30	47
South Africa, Pretoria	42	36	78	42	36	78	45	38	83
Capetown	5	9	14	5	9	14	5	9	14
Durban	3	6	9	4	6	10	4	6	10
Johannesburg	11	21	32	11	21	32	14	21	35
Subtotal, South Africa	61	72	133	62	72	134	68	74	142
Sudan, Khartoum	17	28	45	18	28	46	18	28	46
Swaziland, Mbabane	8	10	18	8	10	18	9	10	19
Tanzania, Dar-es-Salaam	15	22	37	15	22	37	18	23	41
Togo, Lome	11	21	32	12	21	33	12	21	33
Uganda, Kampala	8	7	15	10	7	17	11	10	21
Zaire, Kinshasa	38	58	96	38	58	96	39	59	98
Lubumbashi	5	5	10	6	5	11	6	5	11
Subtotal, Zaire	43	63	106	44	63	107	45	64	109
Zambia, Lusaka	13	17	30	13	17	30	13	19	32
Zimbabwe, Harare	15	16	31	16	16	32	17	17	34
Total	628	1,019	1,647	655	1,019	1,674	696	1,062	1,758

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate	136	655	1,019	1,810	$84,066
Built-In Changes					
Non-Recurring Decreases	--	--	--	--	-1,271
Annualization of 1986 Increases	--	--	--	--	888
1987 Wage Increases	--	--	--	--	294
1987 Price Increases	--	--	--	--	2,655
SUBTOTAL, Built-In Changes	--	--	--	--	2,566
1987 Current Services	136	655	1,019	1,810	86,632
Program Changes					
Reporting and Analysis	2	28	6	36	997
Overseas Consular Workload	--	--	1	1	13
Overseas Administrative Support	--	9	26	35	568
Information Systems	1	4	10	15	1,045
SUBTOTAL, Program Changes	3	41	43	87	2,623
1987 Request (Budget Authority)	139	696	1,062	1,897	89,255

Bureau of Near Eastern and South Asian Affairs

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
2,273	$66,939	2,290	$71,057	2,341	$74,059	51	$3,032

I. Summary

The Bureau of Near Eastern and South Asian Affairs (NEA) is responsible for diplomatic and consular relations at 35 posts in 25 countries, from Morocco in the West to Bangledesh in the East. (We have no official American presence in Libya, Iran or the Peoples Democratic Republic of Yemen; relations continue to be carried out by a protective power).

The NEA Bureau has responsibility for analyzing and developing policy on continuing issues of major foreign policy interest. NEA major objectives include:

-- maintaining our lead role in the quest for peaceful solutions to conflicts in the Middle East. This includes: working with the concerned parties toward a settlement of the Arab-Israeli dispute; encouraging restoration of peace and the sovereignty and territorial integrity of Lebanon; and playing a constructive part in limiting -- and if possible ending -- the Iran-Iraq conflict.

-- enhancing regional defense and security relationships by: supporting the security of Israel; helping other friendly states in the region meet their security needs; maintaning freedom of access to the Persian Gulf; minimizing Soviet influence in and access to the region; seeking an end to the Soviet occupation of Afghanistan; reducing tensions between India and Pakistan; and, helping to resolve the problem of sectarian violence in Sri Lanka.

-- assuring dependable sources of energy for the US and our allies, with responsible policies for pricing, production, investment and other financial matters.

-- maintaining secure diplomatic and consular installations, and cooperating with friendly governments to combat international terrorism.

Bureau of Near Eastern and South Asian Affairs

II. Current Programs

NEA continues to play a leading role in the search of peace in the Middle East through efforts by our diplomatic missions in the region. Visits to the area by Department officials and visits to the U.S by Middle Eastern leaders, are designed to lead to direct negotiations between Israel and its Arab neighbors.

Friendship with Israel and a committment to its economic health and military security remain a fundamental element of U.S. policy in the Middle East. At the same time, NEA has taken a leading role in strenghtening our relationship with all our friends in the region through a U.S. committment to economic and military assistance.

Security continues to be a continuing major concern for the Bureau. NEA is involved in efforts to increase the physical security of our installations. New security standards for our Embassies are reflected in the seven new chancery office buildings currently under construction in the area.

The Bureau has established a new office to coordinate USG policy and programs with other governments to work toward the establishment of a freely-elected government in Afghanistan.

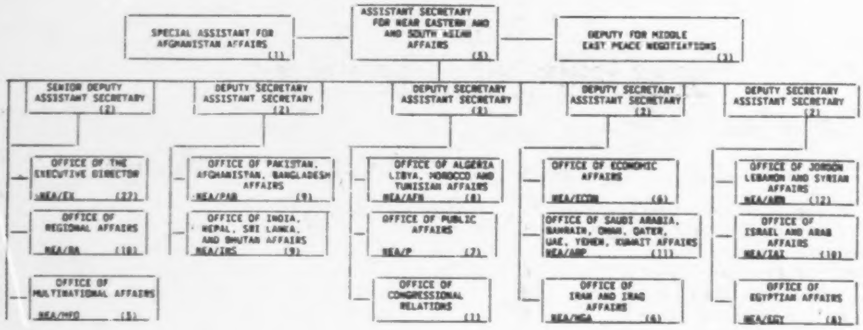
III. 1987 Plans

A major feature of NEA's 1987 budget request is the need to increase administrative staff to support programs and personnel now in place or to be initiated in the next two years. Administrative support is required for newly-assigned reporting and analysis positions and staff of other Agencies which are administratively supported by State through Shared Administrative Support agreements. Additional positions are also requested for the newly designated Consulate-General in Dubai, United Arab Emirates.

Expanding word and data processing capabilities continues to be a goal of the Bureau and is reflected in this budget request which includes new Systems Manager positions and initial or enhanced data processing equipment for use at overseas posts and domestic offices.

Bureau of Near Eastern and South Asian Affairs

FY-87
ORGANIZATIONAL CHART
TOTAL DOMESTIC POSITIONS: 148


SPECIAL ASSISTANT FOR AFGHANISTAN AFFAIRS (1)
ASSISTANT SECRETARY FOR NEAR EASTERN AND AND SOUTH ASIAN AFFAIRS (5)
DEPUTY FOR MIDDLE EAST PEACE NEGOTIATIONS (3)
SENIOR DEPUTY ASSISTANT SECRETARY (2)
DEPUTY SECRETARY ASSISTANT SECRETARY (2)
DEPUTY SECRETARY ASSISTANT SECRETARY (2)
DEPUTY SECRETARY ASSISTANT SECRETARY (2)
DEPUTY SECRETARY ASSISTANT SECRETARY (2)
OFFICE OF THE EXECUTIVE DIRECTOR NEA/EX (27)
OFFICE OF REGIONAL AFFAIRS NEA/RA (10)
OFFICE OF MULTINATIONAL AFFAIRS NEA/MFO (5)
OFFICE OF PAKISTAN, AFGHANISTAN, BANGLADESH AFFAIRS NEA/PAB (9)
OFFICE OF INDIA, NEPAL, SRI LANKA, AND BHUTAN AFFAIRS NEA/INS (9)
OFFICE OF ALGERIA LIBYA, MOROCCO AND TUNISIAN AFFAIRS NEA/AFN (8)
OFFICE OF PUBLIC AFFAIRS NEA/P (7)
OFFICE OF CONGRESSIONAL RELATIONS (1)
OFFICE OF ECONOMIC AFFAIRS NEA/ECON (6)
OFFICE OF SAUDI ARABIA, BAHRAIN, OMAN, QATER, UAE, YEMEN, KUWAIT AFFAIRS NEA/ARP (11)
OFFICE OF IRAN AND IRAQ AFFAIRS NEA/NGA (6)
OFFICE OF JORDON LEBANON AND SYRIAN AFFAIRS NEA/ARN (12)
OFFICE OF ISRAEL AND ARAB AFFAIRS NEA/IAI (10)
OFFICE OF EGYPTIAN AFFAIRS NEA/EGY (8)

Bureau of Near Eastern & South Asian Affairs

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Office of the Assistant Secretary..	21	20	20
Office of the Executive Director...	25	26	27
Office of Public Affairs...........	7	7	7
Office of the Economic Staff.......	6	6	6
Office of Regional Affairs.........	10	10	10
Office of Iran/Iraqi Affairs.......	6	6	6
Office of Multinational Force and Observers....................	5	5	5
Office of Saudi Arabia, Kuwait, Yemen, Oman, Bahrain, Qatar, UAE Affairs....................	11	11	11
Office of Jordan, Lebanon, Syria Affairs........................	11	12	12
Office of Egypt Affairs............	8	8	8
Office of Algeria, Libya, Morocco, Tunisia Affairs...............	8	8	8
Office of Israel and Arab/Israeli Affairs.......................	10	10	10
Office of India, Nepal, Sri Lanka, Maldive, Bhutan Affairs........	9	9	9
Office of Pakistan, Afghanistan, Bangladesh Affairs.......	9	9	9
TOTAL...........................	146	147	148

Bureau of Near Eastern & South Asian Affairs

FY 1987
Permanent Staff by Post

Country and Post	1985 Actual			1986 Estimate			1987 Request		
	Amer.	FSN	Total	Amer.	FSN	Total	Amer.	FSN	Total
Afghanistan, Kabul	6	29	35	6	29	35	7	29	36
Algeria, Algiers	13	25	38	13	25	38	15	26	41
Oran	2	3	5	2	3	5	2	3	5
Subtotal Algeria	15	28	43	15	28	43	17	29	46
Bahrain, Manama	10	15	25	11	15	26	12	16	28
Bangladesh, Dhaka	20	103	123	20	103	123	20	104	124
Egypt, Cairo	50	95	145	51	95	146	52	95	147
Alexandria	5	8	13	5	8	13	5	8	13
Subtotal, Egypt	55	103	158	56	103	159	57	103	160
India, New Delhi	52	222	274	53	222	275	53	222	275
Bombay	11	54	65	12	54	66	13	55	68
Calcutta	7	43	50	7	43	50	8	44	52
Madras	7	35	42	7	35	42	8	37	45
Subtotal, India	77	354	431	79	354	433	82	358	440
Iraq, Baghdad	11	18	29	12	18	30	13	22	35
Israel, Tel Aviv	45	83	128	45	83	128	47	83	130
Jerusalem	15	29	44	16	29	45	16	29	45
Subtotal, Israel	60	112	172	61	112	173	63	112	175
Jordan, Amman	25	37	62	26	37	63	27	39	66
Kuwait, Kuwait	22	32	54	23	32	55	24	32	56
Lebanon, Beirut	28	73	101	28	73	101	28	73	101
Morocco, Rabat	26	69	95	26	69	95	27	69	96
Casablanca	11	13	24	12	13	25	12	13	25
Tangier	3	13	16	3	13	16	3	13	16
Subtotal, Morocco	40	95	135	41	95	136	42	95	137
Nepal, Kathmandu	14	20	34	15	20	35	15	20	35
Oman, Muscat	14	12	26	14	12	26	14	13	27
Pakistan, Islamabad	28	54	82	30	54	84	32	58	90
Karachi	29	57	86	29	57	86	29	59	88
Lahore	7	21	28	7	21	28	7	21	28
Peshawar	3	4	7	3	4	7	3	4	7
Subtotal, Pakistan	67	136	203	69	136	205	71	142	213
Qatar, Doha	7	9	16	7	9	16	7	9	16
Saudi Arabia, Riyadh	41	54	95	41	54	95	42	54	96
Dhahran	10	33	43	10	33	43	10	34	44
Jeddah	14	51	65	14	51	65	14	51	65
Subtotal, Saudi Arabia	65	138	203	65	138	203	66	139	205
Sri Lanka, Colombo	21	44	65	23	44	67	25	45	70
Syria, Damascus	18	44	62	18	44	62	18	44	62
Tunisia, Tunis	24	48	72	25	48	73	25	48	73
United Arab Emirates	19	22	41	19	22	41	19	23	42
Dubai	-	-	-	1	-	1	3	2	5
Subtotal, U.A.E.	19	22	41	20	22	42	22	25	47
Yemen, Sanaa	13	24	37	13	24	37	14	27	41
TOTAL	631	1,496	2,127	647	1,496	2,143	669	1,524	2,193

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate......................	147	647	1,496	2,290	$71,057
Built-In Changes					
Non-Recurring Decreases..........	--	--	--	--	-450
Annualization of 1986 Increases......................	--	--	--	--	961
1987 Wage Increases..............	--	--	--	--	740
1987 Price Increases.............	--	--	--	--	818
SUBTOTAL, Built-In Changes.........	--	--	--	--	2,069
1987 Current Services..............	147	647	1,496	2,290	73,126
Program Changes					
Reporting and Analysis...........	--	10	8	18	230
Overseas Consular Workload........................	--	2	4	6	65
Overseas Administrative Support..........................	--	4	15	19	133
Information Systems..............	1	6	1	8	505
SUBTOTAL, Program Changes..........	1	22	28	51	933
1987 Request (Budget Authority)....	148	669	1,524	2,341	74,059

Bureau of East Asian and Pacific Affairs

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
1,986	$54,541	2,001	$57,974	2,075	$62,945	74	$4,971

I. Summary

The Bureau of East Asian and Pacific Affairs conducts diplomatic and consular relations in 25 countries in East Asia and the Pacific Basin. These activities are carried out at 15 embassies and 22 consulates and consulates general.

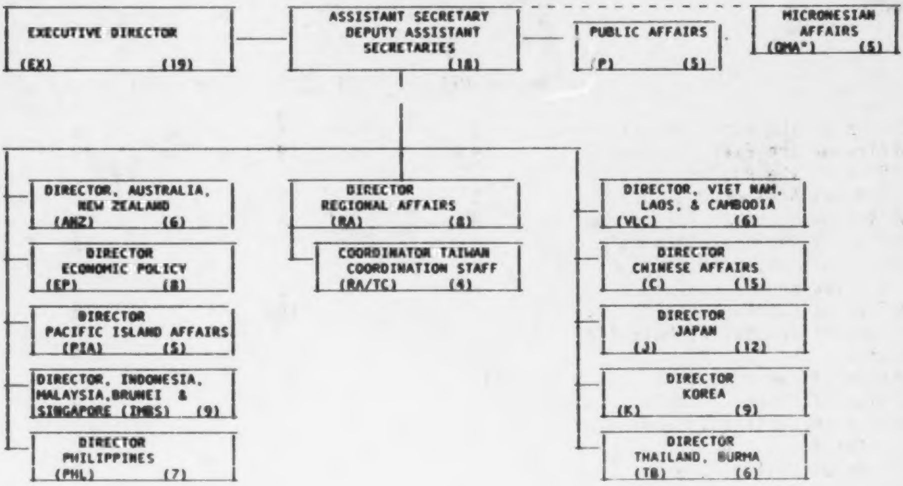
Principal objectives of the Bureau include: (1) strengthening the resolve and defense capabilities of Asian and Pacific allies and friends faced by military threats from the Soviet Union, Vietnam, and North Korea, while supporting the search for peaceful solutions to regional conflicts; (2) managing trade relationships so as to strengthen the world market system and correct imbalances which threaten the system as well as bilateral relationships; (3) assisting China's modernization in a matter which will heighten that nations's desire to cooperate with the U.S. and other Pacific neighbors and is consonant with the interest of other friendly peoples in the region; (4) emphasizing economic, political and military reforms in the Philippines; (5) cooperating with Australia, the Pacific Islands and other Pacific friends in policies to promote our common interests in regional security, ocean resources and freedom of navigation; and (6) supporting the Association of Southeast Asian Nations (ASEAN) as a model for regional cooperation while encouraging broader Pacific Cooperation in a manner which does not impinge upon ASEAN's role.

II. Current Programs

Principal actions taken by the Bureau in 1985 and 1986 in pursuit of the objectives outlined above include: (1) supporting a large number of negotiations and visits in the region and visitors to the U.S., including the President's visit to Japan for the Tokyo Economic Summit, the Vice President's trip to China, Chinese President Li's visit to the U.S., and Republic of Korea President Chen's visit here; (2) participating in an interagency effort led by the Secretary of State to improve the U.S.-Japanese economic relationship through intensive sectoral negotiations; (3) arranging new agreements, programs and exchanges with the People's Republic of China; (4) backing the resolve and confidence of our Korean ally in its efforts to engage in a dialogue with North Korea; (5) lending appropriate support to efforts in the Philippines to lessen economic and political uncertainties for this valuable ally; (6) lending strong support to ASEAN's efforts to restore Cambodia's freedom and neutrality; (7) strengthening cooperation with Australia under the ANZUS pact; (8) restructuring U.S. representation in the Pacific Island states to take account of political change in the region; and (9) working closely with the Secretary's specially designated office for Pacific Basin affairs to promote greater regional economic cooperation.

FY 1987
Organization Chart

Total Domestic Positions: 142


EXECUTIVE DIRECTOR (EX) (19)
ASSISTANT SECRETARY DEPUTY ASSISTANT SECRETARIES (18)
PUBLIC AFFAIRS (P) (5)
MICRONESIAN AFFAIRS (OMA*) (5)
DIRECTOR, AUSTRALIA, NEW ZEALAND (ANZ) (6)
DIRECTOR ECONOMIC POLICY (EP) (8)
DIRECTOR PACIFIC ISLAND AFFAIRS (PIA) (5)
DIRECTOR, INDONESIA, MALAYSIA, BRUNEI & SINGAPORE (IMBS) (9)
DIRECTOR PHILIPPINES (PHL) (7)
DIRECTOR REGIONAL AFFAIRS (RA) (8)
COORDINATOR TAIWAN COORDINATION STAFF (RA/TC) (4)
DIRECTOR, VIET NAM, LAOS, & CAMBODIA (VLC) (6)
DIRECTOR CHINESE AFFAIRS (C) (15)
DIRECTOR JAPAN (J) (12)
DIRECTOR KOREA (K) (9)
DIRECTOR THAILAND, BURMA (TB) (6)

*The Office of Micronesian Affairs is administratively supported by the Bureau of East Asian and Pacific Affairs although it is not an official organizational component of the Bureau.

BUREAU OF EAST ASIAN AND PACIFIC AFFAIRS

FY 1987
Permanent Domestic Staff by Organization Unit
(dollars in thousands)

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Office of the Asst. Secretary.	18	18	18
Office of the Exec. Director..	19	19	19
Office of the Public Affairs Advisor............	5	5	5
Office of Economic Policy.....	8	8	8
Office of Regional Affairs*...	12	12	12
Office of Australia, New Zealand................	6	6	6
Office of Chinese Affairs.....	15	15	15
Office of Indonesia, Malaysia, Brunei, Singapore...........	9	9	9
Office of Japan..............	10	10	12
Office of Korea..............	7	8	9
Office of Pacific Island Affairs....................	7	7	10
Office of Philippines.........	6	7	7
Office of Thailand, Burma.....	5	5	6
Office of Vietnam, Laos, Cambodia...................	6	6	6
Total....................	133	135	142

* Includes Taiwan Coordination Staff

BUREAU OF EAST ASIAN AND PACIFIC AFFAIRS

Permanent Staff by Post

Country and Post	1985 Actual			1986 Estimate			1987 Request		
	Amer.	FSN	Total	Amer.	FSN	Total	Amer.	FSN	Total
Australia, Canberra	29	27	56	29	27	56	30	28	58
Melbourne	6	11	17	7	11	18	7	11	18
Perth	2	5	7	2	5	7	2	5	7
Sydney	8	21	29	8	21	29	9	21	30
Brisbane	1	2	3	1	2	3	2	4	6
Adelaide	--	--	--	--	--	--	--	--	--
Subtotal, Australia....	46	66	112	47	66	113	50	69	119
Brunei, Bandar Seri Begawan ...	5	6	11	5	6	11	5	8	13
Burma, Rangoon	16	58	74	16	58	74	18	58	76
China, Beijing	59	--	59	60	--	60	64	--	64
Guangzhou	19	--	19	19	--	19	21	--	21
Shanghai	7	--	7	7	--	7	8	--	8
Shenyang	7	--	7	7	--	7	8	--	8
Chengdu	7	--	7	7	--	7	7	--	7
Wuhan	6	--	6	6	--	6	6	--	6
Subtotal, China.......	105	--	105	106	--	106	114	--	114
Fiji, Suva	10	13	23	10	13	23	10	16	26
Hong Kong	40	110	150	40	110	150	41	111	152
Indonesia, Jakarta	39	81	120	40	81	121	44	83	127
Medan	3	8	11	3	8	11	3	8	11
Surabaya	2	7	9	2	7	9	3	7	10
Subtotal, Indonesia...	44	96	140	45	96	141	50	98	148
Japan, Tokyo	70	141	211	71	141	212	76	143	219
Fukuoka	3	13	16	3	13	16	3	13	16
Naha	5	13	18	5	13	18	5	13	18
Osaka-Kobe	8	23	31	9	23	32	9	25	34
Sapporo	2	6	8	2	6	8	2	6	8
Subtotal, Japan.......	88	196	284	90	196	286	95	200	295
Korea, Seoul	52	123	175	52	123	175	56	124	180
Pusan	2	3	5	2	3	5	2	3	5
Subtotal, Korea.......	54	126	180	54	126	180	58	127	185
Laos, Vientiane	8	37	45	8	37	45	8	37	45
Malaysia, Kuala Lumpur ...	23	46	69	24	47	71	27	47	74

BUREAU OF EAST ASIAN AND PACIFIC AFFAIRS

Permanent Staff by Post

Country and Post	1985 Actual			1986 Estimate			1987 Request		
	Amer.	FSN	Total	Amer.	FSN	Total	Amer.	FSN	Total
New Zealand, Wellington ...	13	20	33	14	20	34	15	20	35
Auckland	3	6	9	3	6	9	3	6	9
Christchurch	--	--	--	--	--	--	--	--	--
Subtotal, New Zealand.	16	26	42	17	26	43	18	26	44
Papua New Guinea, Port Moresby	8	8	16	8	8	16	10	9	19
Philippines, Manila	81	237	318	85	237	322	89	238	327
Cebu	2	5	7	2	5	7	3	6	9
Subtotal, Philippines.	83	242	325	87	242	329	92	244	336
Singapore, Singapore	17	30	47	18	30	48	19	31	50
TTPI, Saipan	2	--	2	2	--	2	2	--	2
Thailand, Bangkok	63	144	207	63	144	207	65	146	211
Chiang Mai	3	8	11	3	8	11	3	8	11
Songkhla	1	4	5	1	4	5	2	4	6
Udorn	1	4	5	1	4	5	2	4	6
Subtotal, Thailand....	68	160	228	68	160	228	72	162	234
EUR Based EAP POL/ECON....	--	--	--	--	--	--	1	--	1
Total..................	633	1,220	1,853	645	1,221	1,866	690	1,243	1,933

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate	135	645	1,221	2,001	$57,974
Built-In Changes					
Non-Recurring Decreases	--	--	--	--	-190
Annualization of 1986 Increases	--	--	--	--	1,122
1987 Wage Increases	--	--	--	--	552
1987 Price Increases	--	--	--	--	452
SUBTOTAL, Built-In Changes	--	--	--	--	1,936
1987 Current Services	135	645	1,221	2,001	59,910
Program Changes					
Reporting and Analysis	5	27	4	36	840
Conduct of Relations with Micronesia	2	--	--	2	757
Overseas Consular Workload	--	6	5	11	404
Overseas Administrative Support	--	6	8	14	469
Information Systems	--	6	5	11	565
SUBTOTAL, Program Changes	7	45	22	74	3,035
1987 Request (Budget Authority)	142	690	1,243	2,075	62,945

Inter-American Affairs

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
2,636	$74,150	2,646	$80,236	2,719	$88,062	73	$7,826

I. Summary

The Bureau of Inter-American Affairs conducts diplomatic and consular relations in 31 countries in Central and South America plus the Caribbean Inland nations. These activities are carried out at 66 posts.

The Bureau analyzes and reports on new developments and on continuing issues of major interest to the United States Government. Objectives include: achieving a peaceful solution to the problems in Central America, and providing more economic and humanitarian aid while improving relations with traditional friends and allies; managing political and economic issues (arising from rapid growth in our trade with the region) and carefully designed exchange programs to build friendships of future leaders; and watching over human rights issues. Strategic interests, the continuing flow of illegal aliens, and the increased drug smuggling require the efficient management of modest economic and military assistance funds.

II. Current Programs

During 1986 the United States engaged in a number of steps to strengthen ties with friendly nations south of our border and to assist them to maintain their independence and integrity in the face of increased security threats. The Caribbean Basin Initiative is having a great effect on those nations in and around the Caribbean. We are helping those nations that are experiencing external debt problems to find other sources of credit and to help slow down their inflationary spiral. We are also working closely with many of our Latin American allies to stop the flow of narcotics into this country.

Inter-American Affairs

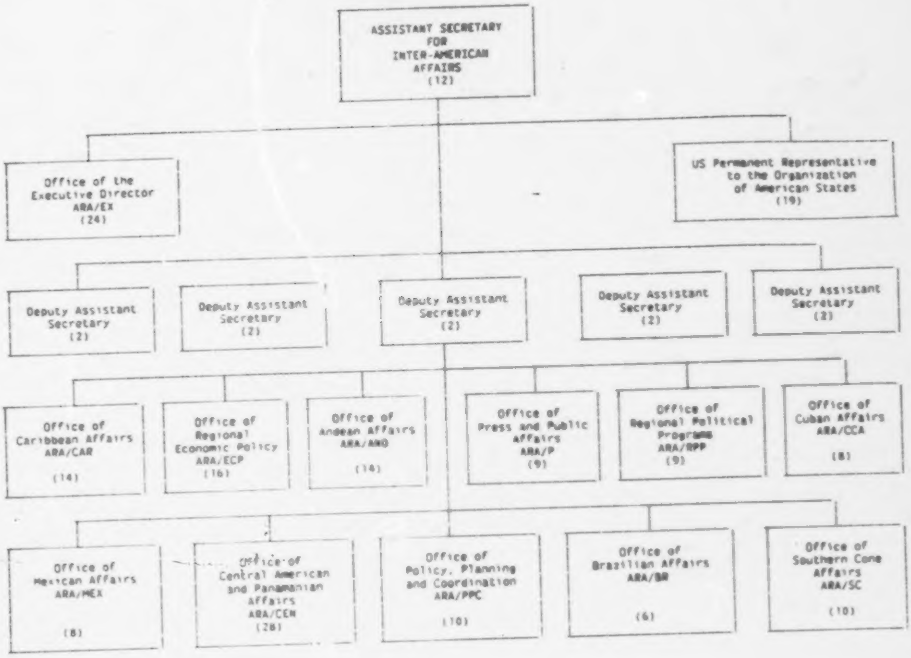
III. 1987 Plans

FY 1987 will see continued efforts in such activities as: implementing the President's Central American and Caribbean basin initiatives, and monitoring trade in the region as well as the serious debt problems. Support for the democratic trend in the region, increased anti-narcotics efforts and significant levels of economic and military assistance will also continue to be focused on.

In addition, the United States, Panama and Japan have agreed to jointly undertake a feasibility study of alternatives to the existing Panama Canal. The study will examine a range of options; including a sea-level canal, modifications to the present canal, overland transportation forms such as pipelines or container-rail transit, as well as environmental analyses. The U.S. will share equally in the management and funding of the study, which is projected to run through 1990 and cost $20 million. In 1987, the U.S. contribution to this study will be $2 million.

To support the Bureau's efforts, the request of $88,062,000 reflects an increase of $7,826,000 and 73 positions. This increase includes $4,759,000 for wage and price increases. Additionally, the Bureau is requesting $3,067,000 and 73 positions for substantial improvements in domestic and overseas reporting and analytical work, overseas consular work, administrative support, systems managers and local assistance in automation for improved efficiency.

FY 1987
ORGANIZATION CHART
Total Domestic Positions: 197


ASSISTANT SECRETARY FOR INTER-AMERICAN AFFAIRS (12)
Office of the Executive Director ARA/EX (24)
US Permanent Representative to the Organization of American States (19)
Deputy Assistant Secretary (2)
Deputy Assistant Secretary (2)
Deputy Assistant Secretary (2)
Deputy Assistant Secretary (2)
Deputy Assistant Secretary (2)
Office of Caribbean Affairs ARA/CAR (14)
Office of Regional Economic Policy ARA/ECP (16)
Office of Andean Affairs ARA/AND (14)
Office of Press and Public Affairs ARA/P (9)
Office of Regional Political Programs ARA/RPP (9)
Office of Cuban Affairs ARA/CCA (8)
Office of Mexican Affairs ARA/MEX (8)
Office of Central American and Panamanian Affairs ARA/CEN (28)
Office of Policy, Planning and Coordination ARA/PPC (10)
Office of Brazilian Affairs ARA/BR (6)
Office of Southern Cone Affairs ARA/SC (10)

Breau of Inter-American Affairs

FY 1987
Permanent Domestic Staff by Organization Unit
(dollars in thousands)

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Assistant Secretary for Inter-American Affairs.....	22	22	22
Office of Policy, Planning and Coordination...........	10	10	10
Office of Press and Public Affairs.....................	9	9	9
Office of Regional Political Programs....................	9	9	9
Office of Regional Economic Policy.....................	14	14	16
Office of Andean Affairs.....	13	13	14
Office of Brazilian Affairs..	6	6	6
Office of Caribbean Affairs..	14	14	14
Office of Central American and Panamanian Affairs.....	26	27	28
Office of Cuban Affairs......	8	8	8
Office of Mexican Affairs....	8	8	8
Office of Southern Cone Affairs....................	9	9	10
U.S. Permanent Representative to the Oragnization of American States............	19	19	19
Office of the Executive Director..................	24	24	24
Total....................	191	192	197

Inter-American Affairs

FY 1987
Permanent Staff by Post

Country and Post	1985 Actual Amer.	1985 Actual FSN	1985 Actual Total	1986 Estimate Amer.	1986 Estimate FSN	1986 Estimate Total	1987 Request Amer.	1987 Request FSN	1987 Request Total
Antigua and Barbuda, Antigua	6	9	15	7	8	15	7	8	15
Argentina, Buenos Aires ...	31	66	97	32	66	98	32	66	98
Bahamas, Nassau	15	19	34	15	19	34	15	20	35
Barbados, Bridgetown	26	27	53	26	27	53	30	30	60
Belize, Belize City	12	13	25	13	13	26	13	13	26
Bolivia, La Paz	23	33	56	23	33	56	25	33	58
Brazil, Brasilia	39	57	96	39	57	96	39	58	97
Porto Alegre	2	5	7	2	5	7	2	5	7
Recife	2	9	11	2	9	11	2	9	11
Rio de Janeiro	17	33	50	17	32	49	17	33	50
Salvador	2	5	7	2	5	7	2	5	7
Sao Paulo	13	32	45	13	32	45	13	33	46
Subtotal, Brazil	75	141	216	75	140	215	75	143	218
Chile, Santiago	26	48	74	27	48	75	29	48	77
Colombia, Bogota	41	61	102	42	61	103	42	61	103
Barranquilla	4	10	14	4	10	14	4	10	14
Subtotal, Colombia	45	71	116	46	71	117	46	71	117
Costa Rica, San Jose	25	36	61	25	36	61	26	38	64
Cuba, Havana	18	--	18	18	--	18	18	--	18
Dominican Republic, Santo Domingo............	40	87	127	40	86	126	42	89	131
Ecuador, Quito	23	24	47	23	24	47	23	25	58
Guayaquil	10	24	34	10	24	34	10	24	34
Subtotal, Ecuador	33	48	81	33	48	81	33	49	82
El Salvador, San Salvador .	38	54	92	38	54	92	39	56	95
Fr. West Indies, Martinique	4	8	12	5	8	13	6	10	16
Grenada, St. Georges	12	14	26	12	14	26	12	16	28
Guatemala, Guatemala City .	28	35	63	28	35	63	29	37	66
Guyana, Georgetown	14	27	41	14	27	41	15	28	43
Haiti, Port au Prince	26	48	74	26	48	74	27	49	76
Honduras, Tegucigalpa	32	40	72	32	40	72	33	44	77
Jamaica, Kingston	37	56	93	37	56	93	38	57	95

Inter-American Affairs

FY 1987
Permanent Staff by Post

Country and Post	1985 Actual			1986 Estimate			1987 Request		
	Amer.	FSN	Total	Amer.	FSN	Total	Amer.	FSN	Total
Mexico, Mexico City	99	133	232	99	137	236	101	138	239
Ciudad Juarez	10	34	44	10	34	44	11	34	45
Guadalajara	11	29	40	12	29	41	12	29	41
Hermosillo	4	9	13	4	9	13	4	9	13
Matamoros	2	6	8	2	6	8	3	6	9
Mazatlan	3	5	8	3	5	8	4	5	9
Merida	2	6	8	2	6	8	2	6	8
Monterrey	18	53	71	18	53	71	18	53	71
Nuevo Laredo	2	12	14	2	12	14	2	12	14
Tijuana	14	34	48	14	34	48	15	34	49
Subtotal, Mexico	165	321	486	166	325	491	172	326	498
Netherlands Antilles, Curacao..................	4	8	12	4	8	12	5	8	13
Nicaragua, Managua	24	39	63	24	39	63	24	39	63
Panama, Panama City	56	50	106	56	50	106	56	52	108
Paraguay, Asuncion	14	28	42	14	28	42	15	28	43
Peru, Lima	33	45	78	33	45	78	35	47	82
Surinam, Paramaribo	9	11	20	9	10	19	11	12	23
Trinidad, Port of Spain .	15	27	42	16	27	43	16	28	44
Uruguay, Montevideo	23	29	52	23	29	52	23	29	52
Venezuela, Caracas	35	53	88	36	53	89	37	54	91
Maracaibo	3	7	10	3	7	10	3	7	10
Subtotal, Venezuela.	38	60	98	39	60	99	40	61	101
Total	947	1,498	2,445	956	1,498	2,454	987	1,535	2,522

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate......................	192	956	1,498	2,646	$80,236
Built-In Changes					
Annualization of 1986 Increases......................	--	--	--	--	2,093
1987 Wage Increases..............	--	--	--	--	1,082
1987 Price Increases.............	--	--	--	--	1,584
SUBTOTAL, Built-In Changes.........	--	--	--	--	4,759
1987 Current Services..............	192	956	1,498	2,646	84,995
Program Changes					
Reporting and Analysis...........	5	14	13	32	968
Overseas Consular Workload........................	--	3	7	10	293
Overseas Administrative Support..........................	--	5	9	14	296
Information Systems..............	--	9	8	17	1,510
SUBTOTAL, Program Changes..........	5	31	37	73	3,067
1987 Request (Budget Authority)....	197	987	1,535	2,719	88,062

Bureau of European and Canadian Affairs

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
4,064	$114,903	4,058	$122,695	4,135	$130,279	77	$7,584

I. Summary

The Bureau of European and Canadian Affairs is the largest regional bureau in the Department of State. It is responsible for the conduct of U.S. relations with the governments of thirty European Countries and with Canada. The Bureau is also responsible for U.S. ties with three major international organizations: The North Atlantic Treaty Organization (NATO), the European Community (EC), and the Organization for Economic Cooperation and Development (OECD). The Bureau is responsible for 82 posts in Europe and Canada, covering a territory that extends from Vancouver, Canada to Vladivostok, U.S.S.R.

II. Current Programs

Assuring western security by maintaining the strength and cohesion of the NATO Alliance and by pursuing a firm, consistent policy toward the Soviet Union is our key objective. This policy provides a platform for arms reduction negotiations aimed at nuclear, chemical and conventional weapons. We are fully engaged in the Conference on Security and Cooperation in Europe (CSCE) and are working to enhance respect for human rights in the U.S.S.R. and Eastern Europe.

Within the NATO Alliance we have made progress toward strengthening force posture with the installation of intermediate range nuclear forces (INF) and the commitment of substantial resources to the modernization of NATO's infrastructure. We have also resumed strategic and intermediate nuclear arms control negotiations with the U.S.S.R. in Geneva and have initiated new discussions of defense and space concerns. Our approach is strongly supported by the Allies. In Eastern Europe we are working with our Allies to encourage a process of reform. We are building on the progress already achieved toward putting into place an East-West trade regime that ensures that security considerations are fully taken into account. Allied cooperation in countering terrorism and support in areas of common concern outside the formal NATO area are also key goals.

Bureau of European and Canadian Affairs

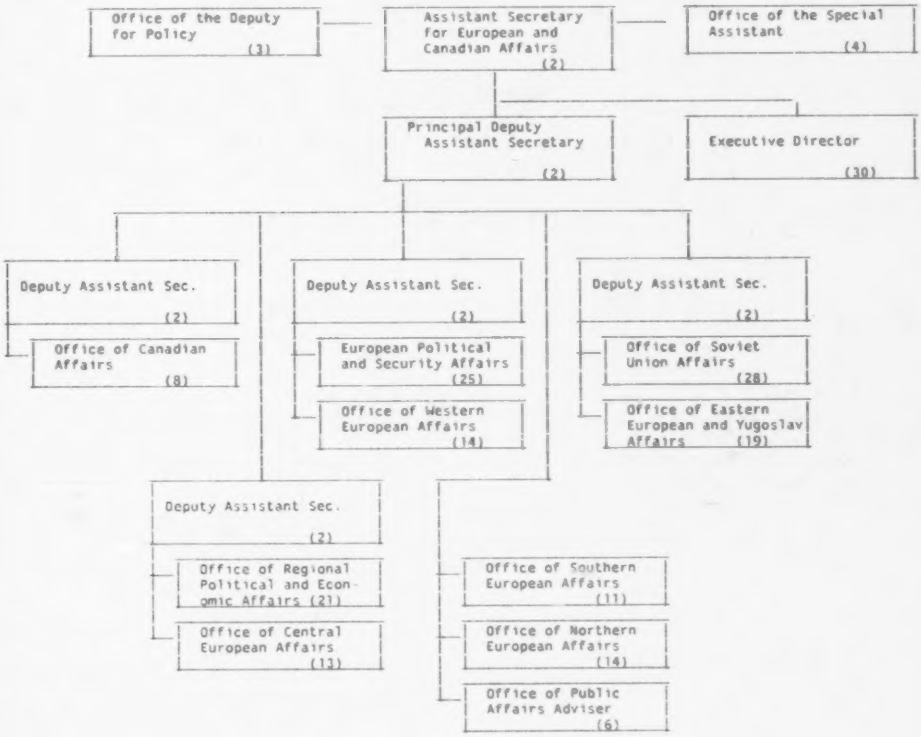
A sustained economic recovery is essential to the Alliance. We are seeking a new round of trade negotiations as a means of maintaining economic momentum. U.S.-EC trade relations lie at the center of that process. We are actively working to ensure that our economic relations with Europe are characterized by cooperation.

III. 1987 Plans

The Bureau has begun several new initiatives to help it achieve its key objectives, i.e., assuring western security by maintaining the strength and cohesion of the NATO Alliance and by pursuing a firm, consistent policy toward the Soviet Union, that will continue into 1987. These initiatives include Arms Control Negotiations in Geneva, the Geneva Summitt and the Conference on Security and Cooperation in Europe (CSCE) in Vienna, and will require increases in the Bureau's resources for reporting and analysis, overseas consular workload, overseas administrative workload and information systems.

Bureau of European and Canadian Affairs

FY 1987
Organization Chart
Total Domestic Positions: 208


Office of the Deputy for Policy (3)
Assistant Secretary for European and Canadian Affairs (2)
Office of the Special Assistant (4)
Principal Deputy Assistant Secretary (2)
Executive Director (30)
Deputy Assistant Sec. (2)
Office of Canadian Affairs (8)
Deputy Assistant Sec. (2)
European Political and Security Affairs (25)
Office of Western European Affairs (14)
Deputy Assistant Sec. (2)
Office of Soviet Union Affairs (28)
Office of Eastern European and Yugoslav Affairs (19)
Deputy Assistant Sec. (2)
Office of Regional Political and Economic Affairs (21)
Office of Central European Affairs (13)
Office of Southern European Affairs (11)
Office of Northern European Affairs (14)
Office of Public Affairs Adviser (6)

Bureau of European and Canadian Affairs

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Assistant Secretary for European and Canadian Affairs and Deputy Assistant Secretaries....	25	25	25
European Security and Political Affairs.........	25	25	25
Regional Political and Economic Affairs..........	21	21	21
Soviet Union Affairs........	28	28	28
Central European Affairs....	13	13	13
Western European Affairs....	14	14	14
Canadian Affairs............	8	8	8
Northern European Affairs...	14	14	14
Eastern European and Yugoslavia Affairs........	19	19	19
Southern European Affairs...	11	11	11
Executive Director..........	30	30	30
Total...................	208	208	208

Bureau of European and Canadian Affairs

Permanent Staff by Post

Country and Post	1985 Actual Amer.	1985 Actual FSN	1985 Actual Total	1986 Estimate Amer.	1986 Estimate FSN	1986 Estimate Total	1987 Request Amer.	1987 Request FSN	1987 Request Total
Austria, Vienna (E).......	35	53	88	35	53	88	35	53	88
Salzburg, (CG)..........	1	2	3	1	2	3	1	2	3
Subtotal, Austria.....	36	55	91	36	55	91	36	55	91
Belgium, Brussels (E).....	42	67	109	42	67	109	42	72	114
Antwerp (CG)............	2	4	6	2	4	6	2	4	6
Subtotal, Belgium.....	44	71	115	44	71	115	44	76	120
Bulgaria, Sofia (E).......	15	45	60	16	45	61	17	46	63
Canada, Ottawa (E)........	38	25	63	39	25	64	42	28	70
Calgary (CG)............	4	9	13	4	9	13	4	9	13
Halifax (CG)............	2	6	8	2	6	8	2	6	8
Montreal (CG)...........	14	27	41	14	27	41	14	27	41
Quebec (CG).............	4	5	9	4	5	9	4	5	9
Toronto (CG)............	16	37	53	16	37	53	16	37	53
Vancouver (CG)..........	9	18	27	9	18	27	10	18	28
Winnipeg (CG)...........	3	3	6	3	3	6	3	3	6
Subtotal, Canada......	90	130	220	91	130	221	95	133	228
Cyprus, Nicosia (E).......	14	22	36	14	22	36	15	23	38
Czechoslovakia, Prague (E)	20	74	94	20	74	94	21	74	95
Denmark, Copenhagen (E)...	17	27	44	17	27	44	18	29	47
Finland, Helsinki (E).....	15	16	31	15	16	31	16	18	34
France, Paris (E).........	100	213	313	102	213	315	103	214	317
Bordeaux (CG)...........	2	5	7	2	5	7	2	5	7
Lyon (CG)...............	2	6	8	2	6	8	2	6	8
Marseille (CG)..........	3	8	11	3	8	11	3	8	11
Nice (CG)...............	1	2	3	1	2	3	1	2	3
Strasbourg (CG).........	1	3	4	2	3	5	3	4	7
Subtotal, France......	109	237	346	112	237	349	114	239	353
Germany, (GDR) Berlin*.(E)	18	--	18	18	--	18	18	--	18
Germany, (FRG) Bonn (E)...	108	213	321	108	193	301	108	195	303
Berlin (M)..............	26	7	33	26	7	33	26	7	33
Bremen (C)..............	1	2	3	1	2	3	1	2	3
Dusseldorf (CG).........	1	3	4	1	3	4	1	3	4
Frankfurt (CG)..........	45	31	76	46	31	77	46	31	77
Hamburg (CG)............	8	27	35	8	27	35	8	27	35

*FSN Staff is contracted from the East German Government. The number of such employees is: 1985-27; 1986-27; 1987-27.

Bureau of European and Canadian Affairs

Permanent Staff by Post

Country and Post	1985 Actual Amer.	1985 Actual FSN	1985 Actual Total	1986 Estimate Amer.	1986 Estimate FSN	1986 Estimate Total	1987 Request Amer.	1987 Request FSN	1987 Request Total
Munich (CG)............	14	35	49	14	35	49	14	35	49
Stuttgart (CG)..........	7	22	29	8	22	30	9	23	32
Subtotal, Germany.....	210	340	550	212	320	532	213	323	536
Greece, Athens (E)........	41	72	113	41	72	113	41	72	113
Thessaloniki (CG).......	4	10	14	5	10	15	5	10	15
Subtotal, Greece......	45	82	127	46	82	128	46	82	128
Hungary, Budapest (E).....	21	82	103	22	82	104	23	82	105
Iceland, Reykjavik (E)....	9	10	19	9	10	19	9	10	19
Ireland, Dublin (E).......	14	31	45	14	31	45	14	31	45
Italy, Rome (E)...........	70	106	176	70	106	176	72	106	178
Florence (CG)..........	4	14	18	4	14	18	4	14	18
Genoa (CG).............	4	14	18	4	14	18	4	14	18
Milan (CG).............	8	16	24	8	16	24	8	16	24
Naples (CG)............	9	31	40	9	31	40	9	31	40
Palermo (CG)...........	5	16	21	5	16	21	6	16	22
Trieste (C)............	2	8	10	2	8	10	2	8	10
Turin (C)..............	1	2	3	1	2	3	1	2	3
Subtotal, Italy.......	103	207	310	103	207	310	106	207	313
Luxembourg, Luxembourg (E)	10	7	17	10	7	17	10	8	18
Malta, Valletta (E).......	8	10	18	8	10	18	8	11	19
Netherlands, The Hague (E)	25	28	53	26	28	54	27	29	56
Amsterdam (CG).........	3	11	14	3	11	14	3	11	14
Rotterdam (CG).........	4	12	16	4	12	16	4	12	16
Subtotal, Netherlands.	32	51	83	33	51	84	34	52	86
Norway, Oslo (E)..........	20	25	45	20	25	45	20	27	47
Poland, Warsaw (E)........	24	118	142	24	118	142	24	119	143
Krakow (C).............	6	20	26	6	20	26	6	21	27
Poznan (C).............	4	16	20	4	16	20	4	16	20
Subtotal, Poland......	34	154	188	34	154	188	34	156	190
Portugal, Lisbon (E)......	28	26	54	28	26	54	29	31	60
Oporto (C).............	2	9	11	2	9	11	2	9	11
Ponta Delgada (C).......	3	9	12	3	9	12	3	9	12
Subtotal, Portugal....	33	44	77	33	44	77	34	49	83
Romania, Bucharest (E)....	22	70	92	22	70	92	22	70	92

Bureau of European and Canadian Affairs

Permanent Staff by Post

	1985 Actual			1986 Estimate			1987 Request		
Country and Post	Amer.	FSN	Total	Amer.	FSN	Total	Amer.	FSN	Total
Spain, Madrid (E).........	45	56	101	47	56	103	48	57	105
Bareclona (CG)..........	5	11	16	5	11	16	5	11	16
Bilbao (CG).............	3	5	8	3	5	8	3	5	8
Seville (CG)............	4	10	14	4	10	14	5	10	15
Subtotal, Spain.......	57	82	139	59	82	141	61	83	144
Sweden, Stockholm (E).....	20	27	47	20	27	47	21	29	50
Goteborg (CG)...........	1	2	3	1	2	3	1	2	3
Subtotal, Sweden......	21	29	50	21	29	50	22	31	53
Switzerland, Bern (E).....	15	20	35	15	20	35	15	22	37
Zurich (CG).............	4	9	13	4	9	13	4	9	13
Subtotal, Switzerland.	19	29	48	19	29	48	19	31	50
Turkey, Ankara (E)........	37	32	69	38	32	70	42	33	75
Adana (C)...............	3	7	10	3	7	10	3	7	10
Istanbul (CG)...........	15	23	38	15	23	38	15	23	38
Izmir (C)...............	6	7	13	6	7	13	7	7	14
Subtotal, Turkey......	61	69	130	62	69	131	67	70	137
United Kingdom, London (E)	94	247	341	94	247	341	94	249	343
Belfast (CG)............	2	6	8	2	6	8	2	7	9
Edinburgh (CG)..........	3	12	15	3	12	15	3	12	15
Hamilton (CG)...........	3	3	6	4	3	7	4	3	7
Subtotal, U.K.........	102	268	370	103	268	371	103	271	374
U.S.S.R., Moscow* (E).....	62	--	62	61	--	61	64	--	64
Leningrad (CG)..........	13	--	13	13	--	13	13	--	13
Subtotal, U.S.S.R.....	75	--	75	74	--	74	77	--	77
Vatican, Vatican City (E).	6	3	9	6	3	9	7	3	10
Yugoslavia, Belgrade (E)..	32	121	153	33	121	154	33	123	156
Zagreb (CG)............	8	41	49	8	41	49	9	41	50
Subtotal Yugoslavia...	40	162	202	41	162	203	42	164	206
U.S. Mission, USEC (M)....	21	7	28	21	7	28	21	7	28
U.S. Mission, NATO (M)....	35	3	38	35	3	38	38	3	41
U.S. Mission, OECD (M)....	27	11	38	27	11	38	28	11	39
Total....................	1,403	2,453	3,856	1,417	2,433	3,850	1,452	2,475	3,927

*FSN staff is contracted for through the U.S.S.R. Government. The number of such employees is 1985-211; 1986-211; 1987-211.

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate	208	1,417	2,433	4,058	$122,695
Built-In Changes					
Annualization of 1986 Increases	--	--	--	--	1,248
1987 Wage Increases	--	--	--	--	1,137
1987 Price Increases	--	--	--	--	2,280
SUBTOTAL, Built-In Changes	--	--	--	--	4,665
1987 Current Services	208	1,417	2,433	4,058	127,360
Program Changes					
Reporting and Analysis	--	20	7	27	1,050
Overseas Consular Workload	--	2	4	6	303
Overseas Administrative Support	--	8	24	32	933
Information Systems	--	5	7	12	633
SUBTOTAL, Program Changes	--	35	42	77	2,919
1987 Request (Budget Authority)	208	1,452	2,475	4,135	130,279

Bureau of Int'l Org. Affairs

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
394	$8,250	394	$8,676	395	$9,073	1	$397

I. Summary

The Bureau of International Organization Affairs conducts multilateral relations in the United Nations and 85 additional international organizations, programs and commissions. These activities are carried out at seven missions.

The Bureau oversees the development, coordination and implementation of the administration's multilateral policies in the UN and other international organizations. U.S. objectives for the UN system as a whole are to:

-- Reclaim for the U.S. a position of influence and leadership in the UN.

-- Renew the foundations of the UN system through institutional and structural reform.

-- Ensure that the operational programs and activities of international organizations achieve purposes beneficial to U.S. and global interests in the most productive and cost-effective manner.

-- Achieve more proportionate influence for the major financial contributors to the UN System.

II. Current Programs

During 1986 the United States conducted a number of planned courses of action which have spurred a resurgence of American influence in the UN and set the stage for more constructive and far-reaching results. By linking U.S. bilateral policies and the behavior of other nations toward the United States in UN fora, we have muted the anti-American rhetoric in recent General Assembly sessions and are beginning to see fissures in some of the blocs that have traditionally voted against the United States. At the same time, the United States has pursued constructive policies and programs which reinforce the positive elements of the UN system, such as advancing the cause of human rights throughout the world, affirming the principles of the UN Charter, and pressing for economic and social development which holds practical and direct benefits for both the United States and developing countries.

The Bureau and its missions have had significant success in implementing the Administration's budget policy of zero net program growth in UN agencies.

Special measures were taken by the Bureau to increase the number and influence of U.S. nationals employed by international organizations. Organizations in which the U.S. was underrepresented were called upon to correct the situation. At the same time, the Bureau strengthened its capability to nominate more qualified candidates for position vacancies through closer collaboration with more specialized U.S. agencies. The Bureau will continue to give this effort a high priority throughout the coming year.

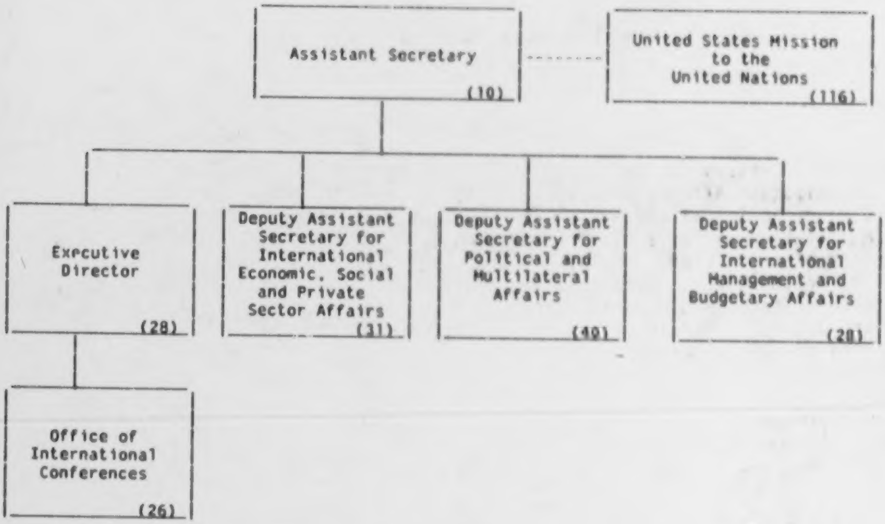
III. 1987 Plans

Emphasis in the coming year will be placed on reducing administrative overhead, improving UN program evaluation mechanisms establishing responsible program priorities, and achieving more proportionate influence for the major financial contributors to the UN System. The Bureau will also continue to increase the number and influence of U.S. Nationals employed by international organizations.

The 1987 request reflects a net increase of $397,000 and one position. The increase consists of $83,000 for built-in-changes in such areas as wage and price increases. This request includes installation of word/data processing systems within the IO Bureau both domestically and at several of the overseas missions.

FY 1987 Organization Chart

Total Domestic Positions: 279


Assistant Secretary (10)
United States Mission to the United Nations (116)
Executive Director (28)
Deputy Assistant Secretary for International Economic, Social and Private Sector Affairs (31)
Deputy Assistant Secretary for Political and Multilateral Affairs (49)
Deputy Assistant Secretary for International Management and Budgetary Affairs (28)
Office of International Conferences (26)

Bureau of Int'l Org. Affairs

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Assist. Secretary for Int'l Organization Affairs.......	10	10	10
Office of Political and Multilateral Affairs.......	40	40	40
Office of Int'l Econ., Social and Private Sector Affairs.	31	31	31
Office of Int'l Management and Budgetary Affairs......	28	28	28
Office of the Executive Director..................	28	28	28
Office of International Conferences...............	26	26	26
U.S. Mission to the United Nations..................	116	116	116
Total................	279	279	279

Permanent Staff by Post

Country and Post	1985 Actual			1986 Estimate			1987 Request		
	Amer.	FSN	Total	Amer.	FSN	Total	Amer.	FSN	Total
Austria, Vienna (M).......	14	4	18	14	4	18	14	4	18
Mutual and Balanced Force Reduction (MBFR)........	9	--	9	9	--	9	9	--	9
Subtotal, Austria.......	23	4	27	23	4	27	23	4	27
Canada, Montreal (M)......	4	--	4	4	--	4	4	--	4
France, Paris (OM)........	5	2	7	5	2	7	5	2	7
Italy, Rome (M)...........	5	--	5	5	--	5	5	--	5
Kenya, Nairobi............	1	--	1	1	--	1	1	--	5
Switzerland, Geneva (M)...	37	34	71	37	34	71	38	34	72
Total................	75	40	115	75	40	115	76	40	116

(M) - Mission
(OM) - Observor Mission

Bureau of International
Organization Affairs

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate......................	279	75	40	394	$8,676
Built-In Changes					
Annualization of 1986 Increases......................	--	--	--	--	20
1987 Wage Increases..............	--	--	--	--	20
1987 Price Increases.............	--	--	--	--	43
SUBTOTAL, Built-In Changes.........	--	--	--	--	83
1987 Current Services..............	279	75	40	394	8,759
Program Changes					
Information Systems..............	--	1	--	1	314
1987 Request (Budget Authority)....	279	76	40	395	9,073

Bureau of Public Affairs

FY 1987

Summary Statement

($000 in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
131	$2,426	131	$2,563	131	$2,563	--	--

I. Summary

The Bureau of Public Affairs is responsible for assuring that the American public and Department officials share an understanding of past, current, and proposed U.S. foreign policy as well as the concerns, objectives, and goals underlying these policies.

The principal objectives of the bureau are to: communicate and explain the public positions and policies of the United States on international events and developments; advise and guide the public affairs activities of the Secretary and principal Department officials; foster broad public understanding and support for specific U.S. foreign policy initiatives; apprise Department policymakers of the domestic implications and historical antecedents of current foreign policy issues; and furnish the American public with credible and comprehensive information about U.S. foreign policy.

II. Current Programs

Current programs of the bureau include:

-- communicating the policy and positions of the U.S. by holding a daily press briefing on foreign policy issues and developments, and disseminating press releases reflecting the United States' position and views on topics of immediate and particular interest;

-- guiding public affairs activities based on the bureau's assessment of public concerns, together with Department policy decisions, identifying current and anticipated issues for which public understanding and support is crucial, specifying the public affairs themes most responsive to public concerns, and preparing strategies for presenting the Department's position on crucial policy issues;

-- fostering understanding and support by administering a nationwide program of speaking engagements by Department officials, including special briefings for groups and organizations with particular policy interests and concerns, maintaining contacts with the media and foreign policy interest groups throughout the country, and focusing attention and discussion of those priority issues approved by the Secretary;

-- advising on domestic implications by preparing and distributing comprehensive analyses, reports and memoranda based on systematic evaluation of poll data, analysis of editorial opinion and comment, analysis of data collected through debriefing of Department officials following their PA-arranged public appearances, and analysis and synthesis of internal Department records; and

-- furnishing credible information by promptly publishing major speeches, policy statements, and analytical documents on current foreign policy issues, continuing rational and coherent material declassification, and economical and timely preparation and release of the Foreign Relations of the U.S. and other historical series, and responding to the myriad information queries from the public.

III. 1987 Plans

The 1987 bureau request totals 131 positions and $2,563,000. In support of our objectives, in 1987 we plan to:

-- accelerate the opening of the foreign affairs files and the publication of the official diplomatic record at 30 years from current estimate. This will require the preparation, declassification, and publication of 50 Foreign Relations volumes before 1990--a two-fold increase over recent years;

-- fulfill a demand from posts abroad and from the Department leadership for an authoritative reference work on precedents and practices. The Historian's Office--as part of its historical research operations-- plans to update the History of the U.S. Foreign Service published last in 1961;

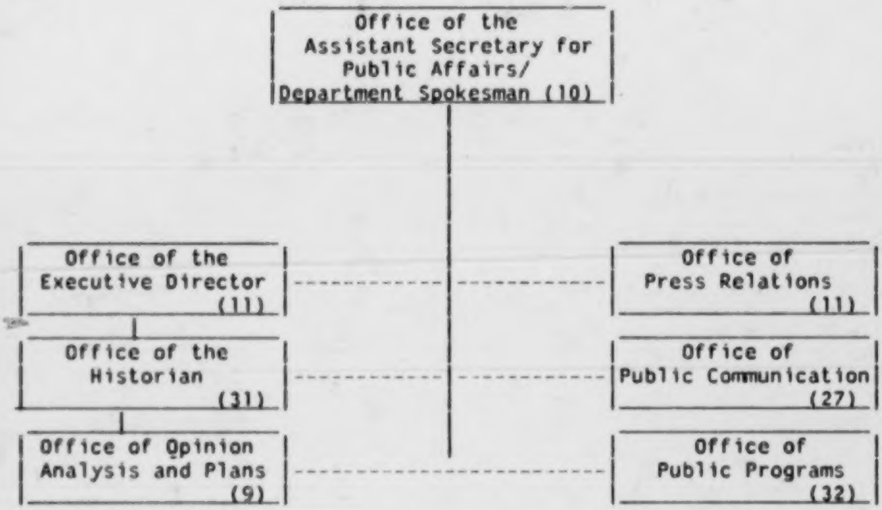
-- introduce a small oral history program to capture first-hand the role of key Department officials in the events surrounding U.S. foreign policy. The text of the exit interviews will be retained permanently and be used with the publication of the Foreign Relations series;

-- produce video tapes on public affairs priority issues (e.g., NATO, arms control, Central America, and Strategic Defense Initiative). The purchase of equipment to produce our own videotapes would accelerate this production and would allow the bureau to edit together excerpts from television news and public affairs programs to supplement summaries and verbatim reports of news items to the principal policy makers of the Department;

-- upgrade the UPI and AP wire services to provide the Secretary with current information and, therefore, enabling the Spokesman to respond to wire stories on a timely basis; and

FY 1987
Organization Chart

Total Domestic Positions: 131


Office of the Assistant Secretary for Public Affairs/ Department Spokesman (10)
Office of the Executive Director (11)
Office of Press Relations (11)
Office of the Historian (31)
Office of Public Communication (27)
Office of Opinion Analysis and Plans (9)
Office of Public Programs (32)

Bureau of Public Affairs

FY 1987
Permanent Domestic Staff by Organization Unit
($000 in thousands)

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Assistant Secretary for Public Affairs	10	10	10
Office of Opinion Analysis and Plans	9	9	9
Office of Public Programs	32	32	32
Office of Public Communication	27	27	27
Office of the Historian	31	31	31
Office of Press Relations	11	11	11
Office of the Executive Director	11	11	11
Total	131	131	131

Bureau of Consular Affairs

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
1,007	$33,425	1,094	$32,853	1,094	$34,198	--	$1,345

I. Summary

The Bureau of Consular Affairs (CA) is responsible for: issuing U.S. passports and both immigrant and non-immigrant visas; protecting and ensuring the welfare of American citizens and property abroad, often in areas of civil or international strife; and, cooperatively with other bureaus, processing refugee movement to the U.S.. Substantial Bureau resources are invested in reporting to the Congress and the public (e.g., status of pending passport and visa requests, and travel advisories); modernizing processing systems and streamlining consular operations both to match growing workload requirements and to meet changes in the travel environment; and, developing and instituting technological improvements, such that Federal agencies can collaboratively preempt terrorist, criminal and other non-desirable entries into the U.S.. Bureau programs are conducted domestically at 13 passport agencies and one issuance facility, and 250 foreign service posts abroad. Bureau operations domestically involve nearly 1,100 permanent positions and over 500 seasonal employees.

II. Current Programs

In 1985, domestic passport agencies and foreign posts issued over 5,303,000 passports and over 6,413,000 visas, both immigrant and non-immigrant. It is projected that 5,392,000 passports and 6,873,000 visas will be issued in 1986. Services provided Americans abroad (e.g., welfare/whereabouts investigations, emergency loans, and notarials) totaled 1,966,000 in 1985 and are expected to reach 2,053,000 in 1986. These services will continue to increase because of both increasing demands made by traveling U.S. citizens and globally volatile political and security developments. To manage growing workload demands, the Bureau will continue to automate consular operations.

Responding to the increased number of passport holding Americans traveling overseas, the Citizens' Service System (which registers Americans residing in consular districts) is being automated at high volume posts; having its database expanded to include information such as deaths, detainees and abductions; and, is being linked to Washington via high-speed communications lines to form the overseas case activity reporting system.

Bureau of Consular Affairs

The Bureau has continued to strengthen management control over consular operations facing significant internal control and external fraud potential. It has conducted anti-fraud training workshops for clerks of courts and at post offices and field agencies. It has worked with federal and state authorities to improve controls over birth, identification and other source documents required in support of passport issuance. In close cooperation with the U.S. Immigration and Naturalization Service (INS), the Bureau's false document forensics capability has been strengthened and its vital anti-fraud initiatives have continued to emphasize improved applicant screening at consular posts abroad.

The Bureau has continued to work closely with INS to support initiatives governing foreign entry into the United States. In particular, personnel exchanges and on-line database access between operating agencies have been projected to improve efficiency and coordination. The Bureau has upgraded mini-computer systems in selected high volume posts to accommodate improvements in immigration management.

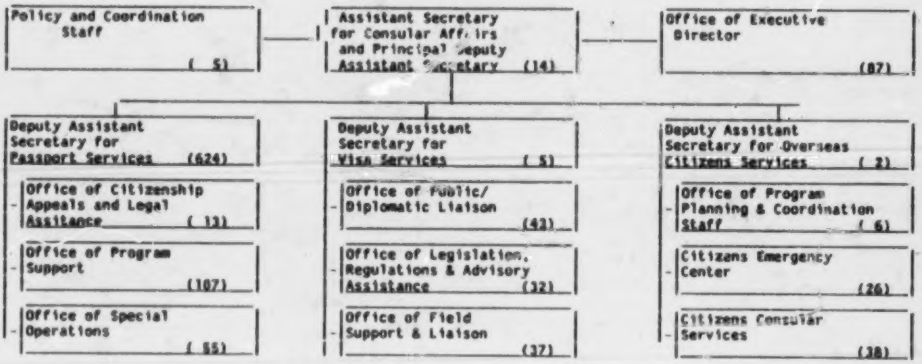
III. 1987 Plans

The Bureau anticipates a 3% increase in passport applications and issuances for 1987. In addition to processing an increased workload volume, qualitative enhancements are planned. The growing problems of illegal immigration and mobile international terrorism will be addressed through continued development of the Consular Lookout and Support System (CLASS). This system will improve the screening for undesirables with linguistically difficult names, expand coverage via database information shared among Federal agencies concerned with foreign entries into the U.S., and rapidly transmit such information via modern telecommunications links.

Bureau of Consular Affairs

FY 1987
Organization Chart

Total Domestic Positions: 1,094



- Policy and Coordination Staff (5)
- Assistant Secretary for Consular Affairs and Principal Deputy Assistant Secretary (14)
- Office of Executive Director (87)
- Deputy Assistant Secretary for Passport Services (624)
  - Office of Citizenship Appeals and Legal Assitance (13)
  - Office of Program Support (107)
  - Office of Special Operations (55)
- Deputy Assistant Secretary for Visa Services (5)
  - Office of Public/Diplomatic Liaison (43)
  - Office of Legislation, Regulations & Advisory Assistance (32)
  - Office of Field Support & Liaison (37)
- Deputy Assistant Secretary for Overseas Citizens Services (2)
  - Office of Program Planning & Coordination Staff (6)
  - Citizens Emergency Center (26)
  - Citizens Consular Services (38)

Bureau of Consular Affairs

FY 1987
Permanent Domestic Staff by Organization Unit
(dollars in thousands)

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Assistant Secretary for Consular Affairs.............	14	14	14
Policy and Coordination Staff....	5	5	5
Office of Executive Director....	90	87	87
Deputy Assistant Secretary for Passport Services........	534	624	624
Office of Citizenship, Appeals, and Legal Assistance.........	13	13	13
Office of Program Support.......	107	107	107
Office of Special Operations....	55	55	55
Deputy Assistant for Visa Services................	5	5	5
Office of Public and Diplomatic Liaison...........	43	43	43
Office of Legislation, Regulations, and Advisory Assistance.......	32	32	32
Office of Field Support and Liaison.................	37	37	37
Deputy Assistant Secretary for Overseas Citizens Services.....................	2	2	2
Office of Program Planning & Coordination Staff.........	6	6	6
Citizens Emergency Center.......	26	26	26
Citizens Consular Services......	38	38	38
Total.......................	1,007	1,094	1,094

Bureau of Consular Affairs

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS ($ in thousands)
	Americans			Total	
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate......................	1,094	--	--	1,094	$32,853
Built-In Changes					
1987 Price Increases............	--	--	--	--	215
1987 Current Services.............	1,094	--	--	1,094	33,068
Program Changes					
Information Systems.............	--	--	--	--	1,130
1987 Request (Budget Authority)....	1,094	--	--	1,094	34,198

Under Secretary for Management

FY 1987
Summary Statement

($000 in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
113	$1,567	112	$1,684	112	$1,684	--	--

Summary

The Office of Under Secretary for Management is primarily concerned with developing and maintaining strong leadership and sound management for policy formulation in pursuit of the Department's objectives. In this regard, the Office is concerned with the oversight of management operations both domestically and in the field, and endeavors to ensure that essential personnel and financial resources are available to pursue effectively the attainment of these objectives.

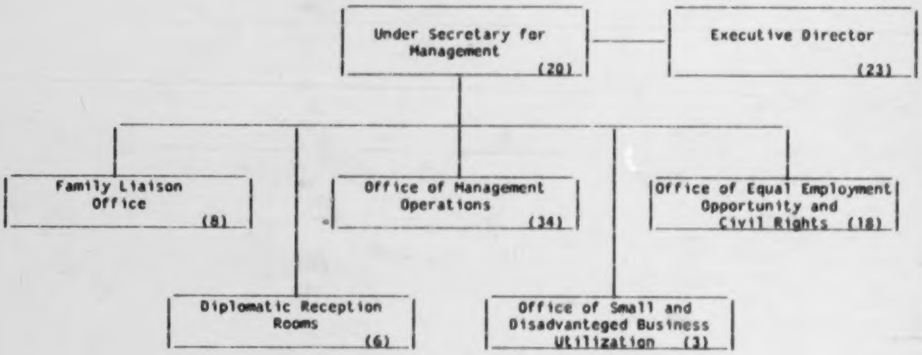
The Under Secretary for Management serves as the principal advisor to the Secretary of State on the allocation of State Department resources in support of the President's foreign policy objectives; chairs the Priorities Planning Group (PPG) which advises the Under Secretary for Management on relative program priorities for budgetary purposes; defines the organizational structure of the Department and assigns functions for each organization; and provides policy direction to the Bureau of Administration, Bureau of Diplomatic Security, Office of the Comptroller, Foreign Service Institute, Bureau of Personnel, Office of Medical Services, Office of Foreign Missions, and Office of International Telecommunications Policy. Policy direction is also provided to the six offices whose operating funds form part of this budget request: the ~~Office~~ of the Executive Director for Management; Office of Small and Disadvantaged Business Utilization; Curator of the Diplomatic Reception Rooms; Office of Management Operations; Office of Equal Employment Opportunity and Civil Rights; and the Family Liaison Office.

The Office is responsible for instituting the following: equal opportunity employment policies; formulating policies and procedures to meet the Department's mandate on the utilization of small and disadvantaged businesses; providing counsel and referral for Foreign Service families on matters such as education, community resources, and dependant employment opportunities; providing direction to more than 120 overseas Community Liaison Offices (CLOs); and acquiring and maintaining donations of both money and objects to furnish the Diplomatic Reception Rooms.

The Office has conducted overseas contracting studies in accordance with OMB's A-76 program. The implementation of study findings have achieved 20% reductions in funding and full time employment (FTE) levels of the activities surveyed. The Office has also implemented a plan for all U.S. and foreign national employee hiring, developed a new system for managing FTE employment authorization, and is studying the applications of advanced technology to all aspects of foreign affairs.

FY 1987
Organization Chart

Total Domestic Positions: 112


Under Secretary for Management (20)
Executive Director (23)
Family Liaison Office (8)
Office of Management Operations (34)
Office of Equal Employment Opportunity and Civil Rights (18)
Diplomatic Reception Rooms (6)
Office of Small and Disadvanteged Business Utilization (3)

M 2

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Under Secretary for Management..............	20	20	20
Director, Office of Management Operations....	34	34	34
Deputy Assistant Secretary for Equal Employment and Civil Rights.............	18	18	18
Curator, Diplomatic Reception Rooms..........	6	6	6
Director, Family Liaison Office...................	8	8	8
Director, Office of Small and Disadvantaged Businesses...............	3	3	3
Executive Director..........	24	23	23
Total..................	113	112	112

Office of the Comptroller

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Positions	Funds	Positions	Funds	Positions	Funds	Positions	Funds
265	$11,289	265	$11,451	271	$11,710	6	$259

I. Summary

The Office of the Comptroller manages the domestic and overseas financial and budgetary affairs of the Department.

In performing this function, the Office: plans, develops, presents, justifies and supports the legislative proposals of the Department relating to appropriations, trust funds and other accounts; allocates the use of Departmental resources; develops and negotiates reimbursement agreements with other USG agencies; develops, tests, installs and maintains current and proposed financial systems (e.g, Financial Management System (FMS), Foreign Service National (FSN) Payroll System, and the Consolidated American Payroll Processing System); and financial aspects of the Real Estate Management System); develops and implements current and long-range plans to ensure coordinated and standardized financial management activities and efforts; manages the worldwide accounting and fiscal programs and services; and investigates and determines the disposition of fiscal irregularities. In addition, this Office also develops and oversees efforts to implement throughout the Department the Federal Managers Financial Integrity Act regarding Internal Controls and compliance of accounting systems with the Comptroller General's principles and standards.

II. Current Programs

The new worldwide Financial Management System (FMS) and related systems is an important part of the overall effort to improve financial management for the Department. Installation and enhancement of overseas modules of the FMS continues. The domestic FMS for State, Peace Corp and USIA reaches the systems requirements phase and leads to procurement of a financial management package.

Other systems development efforts in 1986 include the FSN Payroll System and Consolidated American Payroll Processing System.

Office of the Comptroller

The Bureau continues to improve the timeliness of payments to vendors, employees and annuitants, debt collection efforts, and overall cash management procedures within the Department.

Internal control systems continue to be developed, implemented and expanded. Increasing attention is being devoted to examining all accounting and financial management systems for required compliance with GAO principles, standards and related requirements along with OMB financial management and accounting objectives.

III. 1987 Plans

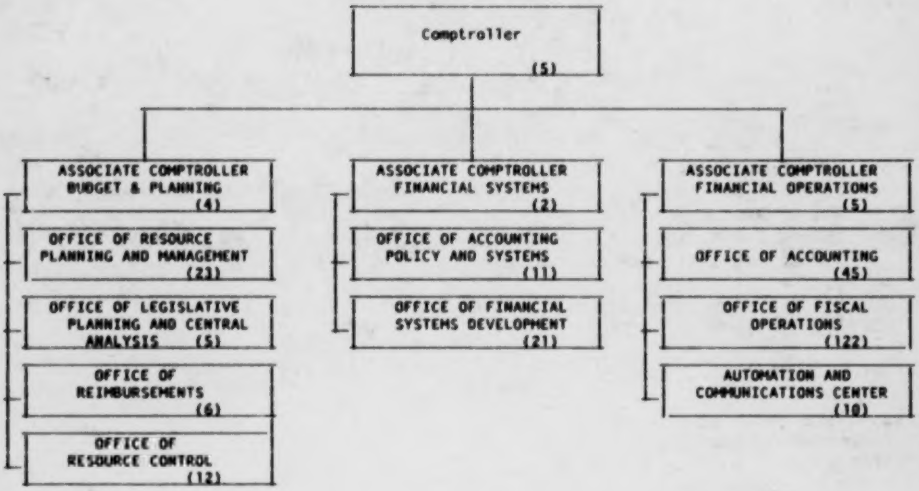
In 1987 the Office of the Comptroller will proceed with the implementation of the FMS at the balance of the overseas installation sites, domestically in Washington, and continued maintenance and life cycle support of the installed FMS.

The financial operations program will continue efforts to enhance payroll and cashier services and process the increasing workload through the use of the new FMS. Also, financial operations will concentrate in 1987 on the implementation of the Foreign Service National Payroll System and the foreign disbursing function for the Western Hemisphere.

Office of the Comptroller

FY 1987
Organization Chart

Total Domestic Positions: 271


Comptroller
(5)
ASSOCIATE COMPTROLLER BUDGET & PLANNING
(4)
OFFICE OF RESOURCE PLANNING AND MANAGEMENT
(23)
OFFICE OF LEGISLATIVE PLANNING AND CENTRAL ANALYSIS
(5)
OFFICE OF REIMBURSEMENTS
(6)
OFFICE OF RESOURCE CONTROL
(12)
ASSOCIATE COMPTROLLER FINANCIAL SYSTEMS
(2)
OFFICE OF ACCOUNTING POLICY AND SYSTEMS
(11)
OFFICE OF FINANCIAL SYSTEMS DEVELOPMENT
(21)
ASSOCIATE COMPTROLLER FINANCIAL OPERATIONS
(5)
OFFICE OF ACCOUNTING
(45)
OFFICE OF FISCAL OPERATIONS
(122)
AUTOMATION AND COMMUNICATIONS CENTER
(10)

Office of the Comptroller

FY 1987
Permanent Domestic Staff by Organization Unit
(dollars in thousands)

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Comptroller..................	5	5	5
Associate Comptroller, Budget and Planning (BP).....	4	4	4
Office of Resource Planning and Management....	23	23	23
Office of Legislative Planning and Central Analysis	5	5	5
Office of Reimbursements ...	6	6	6
Office of Resource Control	12	12	12
Subtotal, BP................	50	50	50
Associate Comptroller, Financial Systems (FS).......	2	2	2
Office of Accounting Policy and Systems................	11	11	11
Office of Financial Systems..	21	21	21
Subtotal, FS................	34	34	34
Associate Comptroller, Financial Operations (FO)....	5	5	5
Office of Accounting........	39	39	45
Office of Fiscal Operations.	122	122	122
Automation and Communications Center............	10	10	10
Subtotal, FO................	176	176	182
Total......................	265	265	271

Office of the Comptroller

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate......................	265	--	--	265	$11,451
1987 Current Services..............	265	--	--	265	11,451
Program Changes					
Information Systems..............	6	--	--	6	259
1987 Request (Budget Authority)....	271	--	--	271	11,710

Bureau of Personnel

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
674	$6,282	664	$6,650	664	$6,650	--	--

I. Summary

The Bureau of Personnel establishes the policies and procedures for managing the Department's workforce. The Bureau also takes the lead role in coordinating the personnel policies of the five foreign affairs agencies (i.e., Departments of State, Agriculture and Commerce, United States Information Agency and the Agency for International Development) which have authorities under the Foreign Service Act of 1980.

The Bureau recruits, examines and hires all prospective American employees of the Civil Service (CS) and worldwide Foreign Service (FS) of the Department. In addition, it examines prospective FS employees of USIA and the Departments of Agriculture and Commerce. It assigns some 4,000 members of the Foreign Service annually. The Bureau is also responsible for employee development, promotions and evaluations, workforce planning, development of personnel regulations, labor relations policies and programs, and securing appropriate staffing for the Department. In addition, it is charged with administering the suitability and disciplinary programs and the employee benefits/service programs.

II. Current Programs

During 1985, the Bureau expanded its efforts to automate as many personnel functions as practical and to improve the automated personnel data base (i.e., Foreign Affairs Personnel System) for use by all foreign affairs agencies. The entire effort should take 5-7 years. Included are a new data base, automation of paperwork, office automation consisting of networked microcomputers linked to the mainframe computer, and enhancement of several existing automated systems including foreign service assignments, and retirement.

A program is underway to establish an Office for Civil Service Personnel Management Evaluation, as required by Presidential Executive Order, incorporated in the Federal Personnel Manual, and in line with the Reform 88 agenda. Its function will be to assess the efficiency and effectiveness of the personnel management programs within the Department of State and provide an internal evaluation capacity to identify areas of strength and weakness and overlap and redundancy, and levels and quality of service; and then to develop and implement solutions to the problems identified.

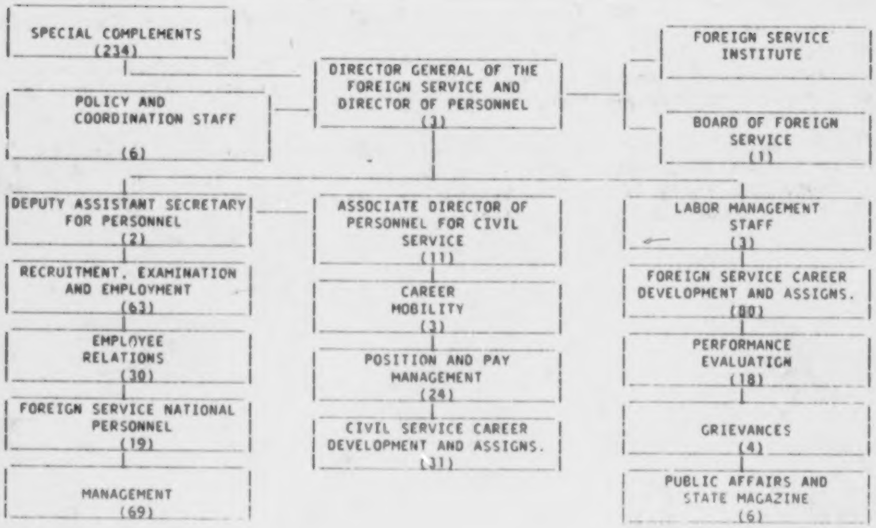
The Bureau has also embarked on attaining management mandated targets in the recruitment of various functional specialties including security officers, support communications officers, communications technicians and administrative sub-functions. This undertaking is a long-range effort and involves extensive increases in recruitment, travel and advertising, evaluation and other aspects of the recruitment/evaluation/employment process.

The Bureau has initiated a study to meet OMB's management improvement program of consolidation and centralization of various personnel functions. The study included the analysis of the various personnel functions to identify which would be appropriate for centralization.

Bureau of Personnel

Organization Chart

Total Domestic Positions: 607


SPECIAL COMPLEMENTS (234)
POLICY AND COORDINATION STAFF (6)
DIRECTOR GENERAL OF THE FOREIGN SERVICE AND DIRECTOR OF PERSONNEL (1)
FOREIGN SERVICE INSTITUTE
BOARD OF FOREIGN SERVICE (1)
DEPUTY ASSISTANT SECRETARY FOR PERSONNEL (2)
RECRUITMENT, EXAMINATION AND EMPLOYMENT (63)
EMPLOYEE RELATIONS (30)
FOREIGN SERVICE NATIONAL PERSONNEL (19)
MANAGEMENT (69)
ASSOCIATE DIRECTOR OF PERSONNEL FOR CIVIL SERVICE (11)
CAREER MOBILITY (3)
POSITION AND PAY MANAGEMENT (24)
CIVIL SERVICE CAREER DEVELOPMENT AND ASSIGNS. (31)
LABOR MANAGEMENT STAFF (3)
FOREIGN SERVICE CAREER DEVELOPMENT AND ASSIGNS. (80)
PERFORMANCE EVALUATION (18)
GRIEVANCES (4)
PUBLIC AFFAIRS AND STATE MAGAZINE (6)

Bureau of Personnel

FY 1987
Permanent Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Director General of the Foreign Service and Director of Personnel.....	3	3	3
Deputy Assistant Secretary for Personnel.............	2	2	2
Associate Director of Personnel for Civil Service....................	6	6	11
Board of the Foreign Service.	1	1	1
Office of Foreign Service Career Development and Assignments................	69	79	80
Office of Performance Evaluation.................	15	15	18
Public Affairs Staff and State Magazine............	5	5	6
Grievance Staff..............	4	4	4
Policy and Coordination Staff......................	5	5	6
Labor Management Staff.......	3	3	3
Office of Personnel Management.................	67	67	69
Office of Recruitment, Examination, and Employment.................	49	59	63
Office of Civil Service Development and Assignments................	31	31	31
Career Mobility.Staff........	3	3	3
Office of Employee Relations.	27	27	30
Office of Foreign Service National Personnel.........	19	19	19
Office of Position and Pay Management.................	18	18	24
Special Complement...........	290	260	234
Total Domestic...........	617	607	607
Overseas Special Complement..	57	57	57
Total....................	674	664	664

M/DGP-4

Office of Medical Services

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
78	$6,729	78	$8,872	78	$9,188	--	$316

I. Summary

The Office of Medical Services is responsible for medical programs for the Department of State, the Foreign Service, and 35 other U.S. Government departments and agencies overseas. Services are in Washington as well as in 262 missions worldwide and cover some 60,000 employees and dependents.

The domestic operation involves program direction, health units, diagnostic medicine for purposes of initial employment, clearance for overseas duty and separation, family liaison, evacuations, referrals, medical records and medical supply. The overseas aspect consists of functional control and embassy and consulate health rooms along with 38 regional medical officers, 38 nurses, 6 psychiatrists, 6 laboratory technologists and some 250 local hire staff. Overseas, the mission is primary medical care, psychological and public health service for those covered by the medical program. Cases involving care beyond the capability of the health unit or other local hospitals are transported to the nearest adequate medical facility with the regional bureau funding the cost of per diem and transportation.

II. Current Programs

A number of previously initiated programs were fully implemented in 1985. These programs include: Medical Information Management System (MIMS); dental evacuation travel; commercial air ambulance; mental health grants; continuing medical education; physicians' comparability allowance; environmental health and preventive medicine; and Safehaven Emergency Medical Care.

The MIMS system now has a comprehensive listing of all persons, from the various U.S. Government agencies (except Defense), assigned to foreign posts. This is the only known consolidated listing of official Americans and dependents abroad. As a result of this system, it is now possible to perform epidemiological studies on the population; it is believed that such studies will be of great benefit in preventive medicine and personnel assignments.

The dental evacuation travel benefit has been well received and utilized. Controls thus far have proven to be adequate to preclude abuse and afford the dentevac opportunity to those in need of the service.

Office of Medical Services

The commercial air ambulance service has been well received and is saving an estimated $800,000 annually in medevac costs for the regional bureaus. As a side benefit, the carrier is offering private medevac coverage to those not covered by the medical program, such as dependent parents, contractors, and visiting friends and relatives. Providing assistance to this group of people has previously been an administrative problem to consulate officers during a medical crisis.

Mental Health grants are now at 45 posts with, as in the past, requests for funds exceeding available amounts by 100%. With increasing problems with terrorism, violence, and stress abroad, it is essential that this program be continued and expanded.

The Continuing Medical Education Program continues to demonstrate its worth by enabling physicians, psychiatrists, family nurse practitioners and laboratory technologists to handle more medical service at posts, thereby saving both time and money. The program consists of six seminars, long term university study, video cassette instructions, and short term professional training. Coincidentally, the program allows the medical professionals to obtain requisite credit hours to satisfy their respective state licensure requirements.

The Physicians' Comparability Allowance was extended by the Congress through 1987. This has enabled the Department to attract and retain highly qualified and motivated physicians and psychiatrists for service abroad.

The Environmental Health and Preventive Medicine Program has made great strides in preventing hepatitis and malaria in the Foreign Service. Early detection of breast cancer has been facilitated with xeromammography equipment and the inclusion of such a diagnostic tool as part of the biennial physical examination. Environmental issues such as air pollution, heavy metals in foreign water supplies, asbestos, fluoride and radiation exposure continue to be addressed.

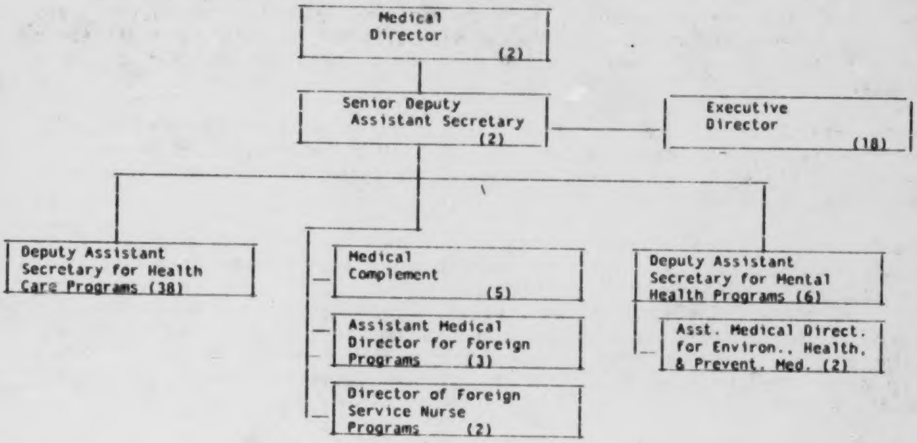
The Safehaven Emergency Medical Care Program has been most successful in the training of employees and spouses in emergency medicine in the event of terrorist attack on a foreign mission. Supplies have been positioned and paramedical training has been conducted at high threat posts.

III. 1987 Plans

The 1987 request reflects a net increase of $316,000 for reimbursement to the Department of Labor for Workers' Compensation payments. In addition to continuing current programs, work is underway on the Acquired Immune Deficiency Syndrome (AIDS) as it might relate to the health needs of the Foreign Service and the posting of employees and dependents in allegedly high risk areas. Conceptual work is also commencing on the conversion of some 70,000 individual medical files from alphabetical access to a terminal digital system based on Social Security number.

FY 1987
Organization Chart

Total Domestic Positions: 78


Medical Director (2)
Senior Deputy Assistant Secretary (2)
Executive Director (18)
Deputy Assistant Secretary for Health Care Programs (38)
Medical Complement (5)
Assistant Medical Director for Foreign Programs (3)
Director of Foreign Service Nurse Programs (2)
Deputy Assistant Secretary for Mental Health Programs (6)
Asst. Medical Direct. for Environ., Health, & Prevent. Med. (2)

Office of Medical Services

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Medical Director............	4	4	4
Health Care Program.........	38	38	38
Mental Health Program.......	6	6	6
Foreign Programs............	3	3	3
Nurse Programs..............	2	2	2
Environmental Health and Preventive Medicine.......	2	2	2
Medical Complement..........	5	5	5
Executive Director..........	18	18	18
Total...................	78	78	78

Office of Medical Services

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate......................	78	--	--	78	$8,872
Built-In Changes					
Workmen's Compensation Payments..	--	--	--	--	316
1987 Current Services..............	78	--	--	78	9,188
1987 Request (Budget Authority)....	78	--	--	78	9,188

Foreign Service Institute

FY 1987

Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Positions	Funds	Positions	Funds	Positions	Funds	Positions	Funds
390	$11,791	390	$12,549	390	$16,589	--	$ 4,040

I. Summary

The principal goals of the Foreign Service Institute (FSI) are:

- -- Implementing the Department's Professional Development Program to improve the professional competence of civil and foreign service personnel by providing formal training.
- -- Providing training and instruction in languages, area studies and foreign affairs, and subjects related to specific job and career goals in order to meet broad U.S. Government and specific agency needs.
- -- Maintaining contact with U. S. training and educational institutions; identifying the most effective training alternatives; advising employees on non-FSI training; and strengthening specific programs by bringing the best available talent to the Department and FSI.

II. Current Programs

Annual FSI enrollment, which is now more than 23,000, continues to grow at an average annual rate of about 7%. Course offerings include:

- -- more than 40 languages taught in Washington and at four overseas schools;
- -- 50 two-week area studies programs covering nine regions;
- -- 40 advanced area studies courses covering 40 countries or sub-regions;
- -- 120 different functional or professional skills courses, including all orientation courses, the entry and mid-level officer programs; and
- -- more than 25 symposia or conferences on foreign policy issues.

Most of these courses and programs are offered several times each year and most language and area study courses are scheduled to start each month. FSI also supervises the post language program at more than 150 overseas missions that is becoming an increasingly important adjunct to Washington-based training for both maintaining language proficiency and providing job-related, post-specific area and language instruction.

In 1986, initiatives begun in 1985, under the second stage of a Comprehensive Professional Development Program, will continue. For example, in 1985 three more intensive, four-week, country-specific language modules were added to the developing integrated language and area studies curriculum. In addition, job-related foreign language exercises were completed in 1985 and are being used in 1986. Both the course materials for and the supervision of the more than 150 Post Language Programs (PLP) have been improved. Workshops to train PLP instructors in the use of FSI materials and thereby improve classroom performance were increased from two in 1985 to four in 1986. Special attention has continued to be paid, throughout all curriculum revisions, to the special training needs of reporting and analysis officers.

Demand continues to increase in 1986, primarily through requests initiated in bureaus and at missions, for training in computer software applications and improving the job-related training for Foreign Service National Employees. The "Admin Rosslyn" course, to be inaugurated in the summer of 1986, will have begun to provide a solid foundation for developing FSN training modules that could be used for correspondence or classroom course work.

Close co-ordination continues both within the Department and with other agencies to ensure that FSI courses meet both short-term operational needs and the long-term professional development requirements of the foreign affairs community.

III. 1987 Plans

The 1987 request is for a net increase of $4,040,000. Of this increase $4 million is required to pay for the architectural design of the new facility to be constructed at Arlington Hall. The 1987 request falls into three categories:

- -- Contracting for the architectural and engineering work necessary to construct a permanent facility for FSI.

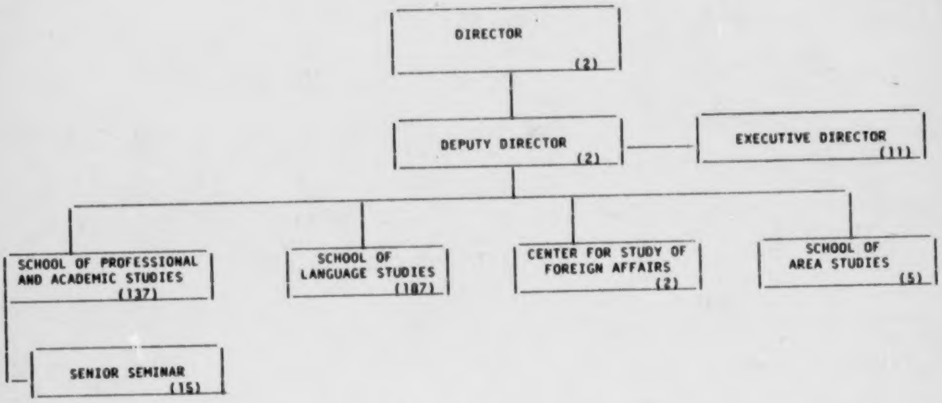
- -- Continuing improvement of the FSI language/area curricula while extending use of the curricula to overseas schools and the post language program. The long-term goal is increasing the number of officers with language/area competence of S-3/R-3 or better while also increasing the number of support staff personnel who receive instruction in basic language/area studies.

- -- Continuing development of Foreign Service career skill courses as a key element of the Department's comprehensive professional work development program along with such job-specific courses to meet changing work environments as that for post computer applications.

Foreign Service Institute

FY 1987
Organization Chart

Total Domestic Positions: 361


DIRECTOR (2)
DEPUTY DIRECTOR (2)
EXECUTIVE DIRECTOR (11)
SCHOOL OF PROFESSIONAL AND ACADEMIC STUDIES (137)
SCHOOL OF LANGUAGE STUDIES (187)
CENTER FOR STUDY OF FOREIGN AFFAIRS (2)
SCHOOL OF AREA STUDIES (5)
SENIOR SEMINAR (15)

Foreign Service Institute

FY 1987
Permanent Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Office of the Director and Deputy Director	4	4	4
School of Professional Studies.	137	137	137
Senior Seminar.................	15	15	15
School of Language Studies.....	187	187	187
Center for Foreign Affairs.....	2	2	2
School of Area Studies.........	5	5	5
Executive Director (Management, Administrative Services and Extension Studies)	11	11	11
Total Domestic.............	361	361	361
Overseas Language Schools......	29	29	29
Total......................	390	390	390

Foreign Service Institute

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate......................	361	24	5	390	$12,549
Built-In Changes					
1987 Price Increases............	--	--	--	--	40
1987 Current Services..............	361	24	5	390	12,589
Program Changes					
Professional Development and Training....................	--	--	--	--	4,000
1987 Request (Budget Authority)....	361	24	5	390	16,589

Human Rights and Humanitarian Affairs

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
37	$900	37	$997	37	$997	--	--

I. Summary

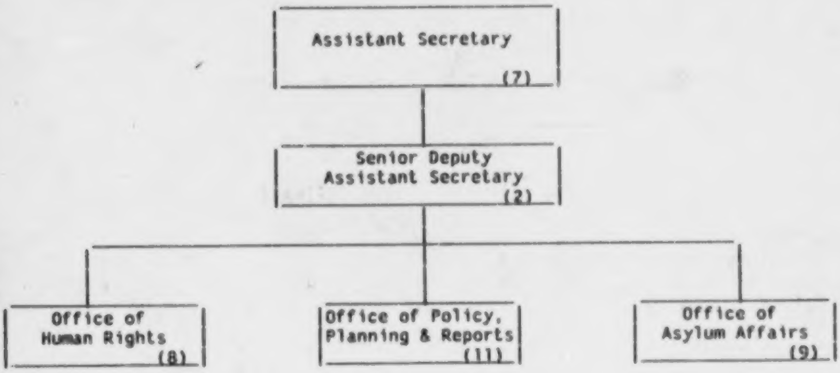
The Bureau of Human Rights and Humanitarian Affairs has worldwide responsibility for monitoring human rights situations and their impact on U.S. foreign policy. The Bureau formulates and implements human rights policy and provides expertise in this area to the President, Secretary of State, other Cabinet departments and the Congress as needed.

II. Current Programs

The recent installation of a large scale word processing system, and the training of all personnel, has significantly increased the operational productivity of the Bureau. Secondly, the Bureau has successfully tried and will institutionalize a special team approach to the preparation of the annual human rights country reports. Third, the asylum unit operation has been made much more efficient; judicious use of one computer systems manager and two clerical positions has halved the unit's overtime and decreased the number of contract consultants required in the past. Finally, two officies within the Bureau were merged thereby eliminating one Deputy Assistant Secretary position and streamlining the management structure.

FY 1987
Organization Chart

Total Domestic Positions: 37


Assistant Secretary
(7)
Senior Deputy Assistant Secretary
(2)
Office of Human Rights
(8)
Office of Policy, Planning & Reports
(11)
Office of Asylum Affairs
(9)

Human Rights and Humanitarian Affairs

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Assistant Secretary.........	7	7	7
Deputy Assistant Secretary..	4	2	2
Office of Human Rights......	8	8	8
Office of Policy, Planning and Reports................	9	11	11
Office of Asylum Affairs....	9	9	9
Total...................	37	37	37

Bureau of Administration

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr. (-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
430	$70,747	433	$73,278	458	$102,253	25	$28,975

I. Summary

The Bureau of Administration develops, manages, and monitors an extensive range of administrative support services for the Department and the other foreign affairs agencies both in Washington and at over 260 posts overseas. In performing this mission, the Bureau coordinates administrative policies and procedures within the Department and the foreign affairs and intelligence communities, and maintains a close and continual liaison with top Departmental management officials.

II. Current Programs

The Bureau of Administration is responsible for policy guidance and effective inter-agency and inter-departmental coordination of many activities; such activities and responsibilities include the following:

-- consolidated financial and personnel management, administrative services, and management analysis support to the Bureau;

-- logistical and administrative support for overseas travel by the President and Vice President;

-- space planning and facilities management for the domestic office space of the Department, AID, and ACDA;

-- provision of centralized supply, transportation, procurement, translating and interpreting, and other administrative services to the Department and other foreign affairs agencies, both in Washington and overseas; and

-- the Department's overall activities in the area of document classification supervision and declassification determinations under Executive Order 12356.

Bureau of Administration

In addition to these duties, during fiscal year 1986 the Bureau of Administration will initiate two programs of major interest to the operations of the Department: the Foreign Affairs Information System (FAIS), and direct management of the Main State building.

FAIS is a coordinated effort to integrate the management of all of the information systems the Department uses to support diplomatic decision-making and foreign policy development, and to provide increased security of information by replacing classified paper files held by posts and domestic offices with centralized electronic storage and retrieval capabilities. In fiscal year 1986, FAIS will focus on the development and operation of a prototype system to demonstrate the processing capabilities of electronic information exchange and microcomputers, as well as local indexing, storage and retrieval procedures.

The Department has requested partial delegation of authority for direct management of the Main State Building from the General Services Administration (GSA). This action will necessitate a vastly expanded role for the Office of Operations in maintenance and physical improvements to the building.

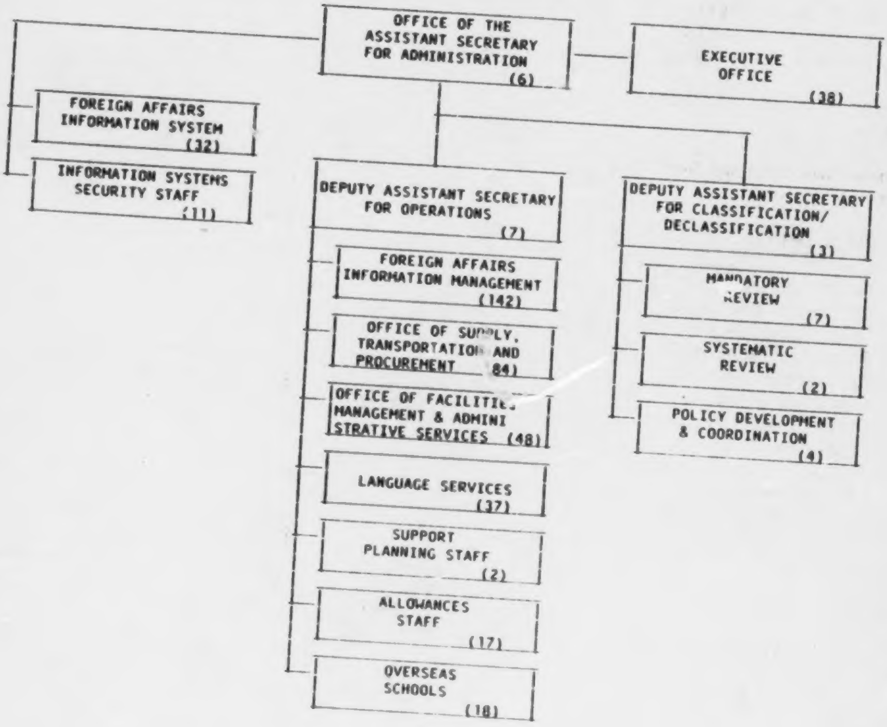
III. 1987 Plans

In fiscal year 1987, the Bureau will continue to maintain a wide range of administrative support services for the Department and other foreign affairs agencies, both domestically and overseas. The 1987 request includes $15,925,000 to fund increased payments to GSA (SLUC - $15,734,000 and recurring reimbursable services - $191,000) and $350,000 to fund annualization for the Principal Officers' Electronic Mail System (POEMS) hardware and software. Additionally, the request reflects an increase of 25 positions and $12,700,000 for the second full year of development and implementation of FAIS, including: implementation of Bureau processing systmes at three locations ($4,000,000); development of the Central Indexing and Distribution System ($3,457,000); implementation of a domestic network ($2,968,000); enhancements to POEMS ($1,700,000); and personnel support costs ($575,000).

Bureau of Administration

FY 1987
Organization Chart

Total Domestic Positions: 458


OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION (6)
EXECUTIVE OFFICE (38)
FOREIGN AFFAIRS INFORMATION SYSTEM (32)
INFORMATION SYSTEMS SECURITY STAFF (11)
DEPUTY ASSISTANT SECRETARY FOR OPERATIONS (7)
FOREIGN AFFAIRS INFORMATION MANAGEMENT (142)
OFFICE OF SUPPLY, TRANSPORTATION AND PROCUREMENT (84)
OFFICE OF FACILITIES MANAGEMENT & ADMINISTRATIVE SERVICES (48)
LANGUAGE SERVICES (37)
SUPPORT PLANNING STAFF (2)
ALLOWANCES STAFF (17)
OVERSEAS SCHOOLS (18)
DEPUTY ASSISTANT SECRETARY FOR CLASSIFICATION/DECLASSIFICATION (3)
MANDATORY REVIEW (7)
SYSTEMATIC REVIEW (2)
POLICY DEVELOPMENT & COORDINATION (4)

Bureau of Administration

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Office of the Assistant Secretary for Administration and Security.......	6	6	6
Foreign Affairs Information System..................	--	7	32
Information Systems Security Staff......................	5	11	11
Executive Office............	48	38	38
Office of Operations:			
Office of the Deputy Assistant Secretary....	7	7	7
Support Planning Staff..	2	2	2
Allowances Staff........	17	17	17
Overseas Schools........	18	18	18
Foreign Affairs Info. Management Center......	142	142	142
Supply, Transportation, & Procurement..........	84	84	84
Facilities Management & Admin. Services.........	48	48	48
Language Services.......	37	37	37
Subtotal, Operations........	355	355	355
Classification/Declassification Center (A/CDC):			
Office of the Deputy Assistant Secretary....	3	3	3
Mandatory Review........	7	7	7
Systematic Review.......	2	2	2
Policy Development and Coordination...........	4	4	4
Subtotal, CDC...............	16	16	16
Total........................	430	433	458

Bureau of Administration

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate......................	433	--	--	433	$73,278
Built-In Changes					
Annualization of 1986 Increases........................	--	--	--	--	350
1987 Price Increases.............	--	--	--	--	15,925
SUBTOTAL, Built-In Changes.........	--	--	--	--	16,275
1987 Current Services..............	433	--	--	433	89,553
Program Changes					
Information Systems..............	25	--	--	25	12,700
1987 Request (Budget Authority)....	458	--	--	458	102,253

Bureau of Diplomatic Security

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
636	$188,457	778	$122,783	778	$124,521	--	$1,738

I. SUMMARY

The Department's worldwide security programs are implemented by the new Bureau of Diplomatic Security. This Bureau which was created in FY 1986 consolidates security and counter-terrorism programs and activities previously located in the Office of Security and the Information Systems Security Staff, as well as sections of the Office of Communications and the Office for Counter-terrorism and Emergency Planning. The domestic operation is comprised of security officers, clerical and support staff located in the Department and in field and resident agent offices throughout the U.S. The field office component is responsible for: personnel and criminal investigations; protection of foreign dignitaries, the Secretary of State and other personnel; and protection of foreign missions and officials in U.S. The Department-based support staff of the Bureau principally provides assistance to our security operations abroad. Overseas security services, such as the protection of personnel, facilities and national security information, are provided by Regional Security Officers and Security Engineering Officers assigned worldwide. There are now 464 Security Officers/Special Agents and 106 Security Engineering Officers in the Bureau of Diplomatic Security.

The Bureau of Diplomatic Security objectives include: provision of a physically and technically secure environment for national security information, Foreign Service personnel and U.S. missions abroad; protection of the Secretary of State, select high-ranking foreign dignitaries visiting the U.S., select U.S. officials traveling or residing abroad (Special Representatives of the President and Ambassadors) and the U.S. Representative to the U.N.; conduct of passport and visa fraud investigations; assistance to the Department's Office of the Program Inspector General in the elimination of waste, fraud and mismanagement; assurance that the Department's personnel meet the high security and suitability standards imposed by Executive Orders relating to security clearances and that these standards are maintained throughout their employment; and provision of protective security assistance to foreign diplomatic and consular establishments and personnel resident in the U.S., management of the Diplomatic Courier and classified Diplomatic pouch operations; management of the worldwide Counter-terrorist, Anti-terrorism Assistance, Central American Counter-terrorism Assistance, and Emergency Plans and Exercise Programs; and developing and implementing Department-wide automation security policies and standards.

II. Current Programs

Under several initiatives, including the 1985 Security Supplemental, the Bureau has implemented improvements to enhance the physical security protection of U.S. missions and personnel abroad. The major thrust of these initiatives include:

- --perimeter barrier improvements;
- --site acquisition, development and support to accelerate construction of secure office buildings in high-threat areas;
- --additional seabees, overseas engineers and regional security officers to implement security measures abroad; and
- --additional radios for Departmental security agents and overseas personnel.

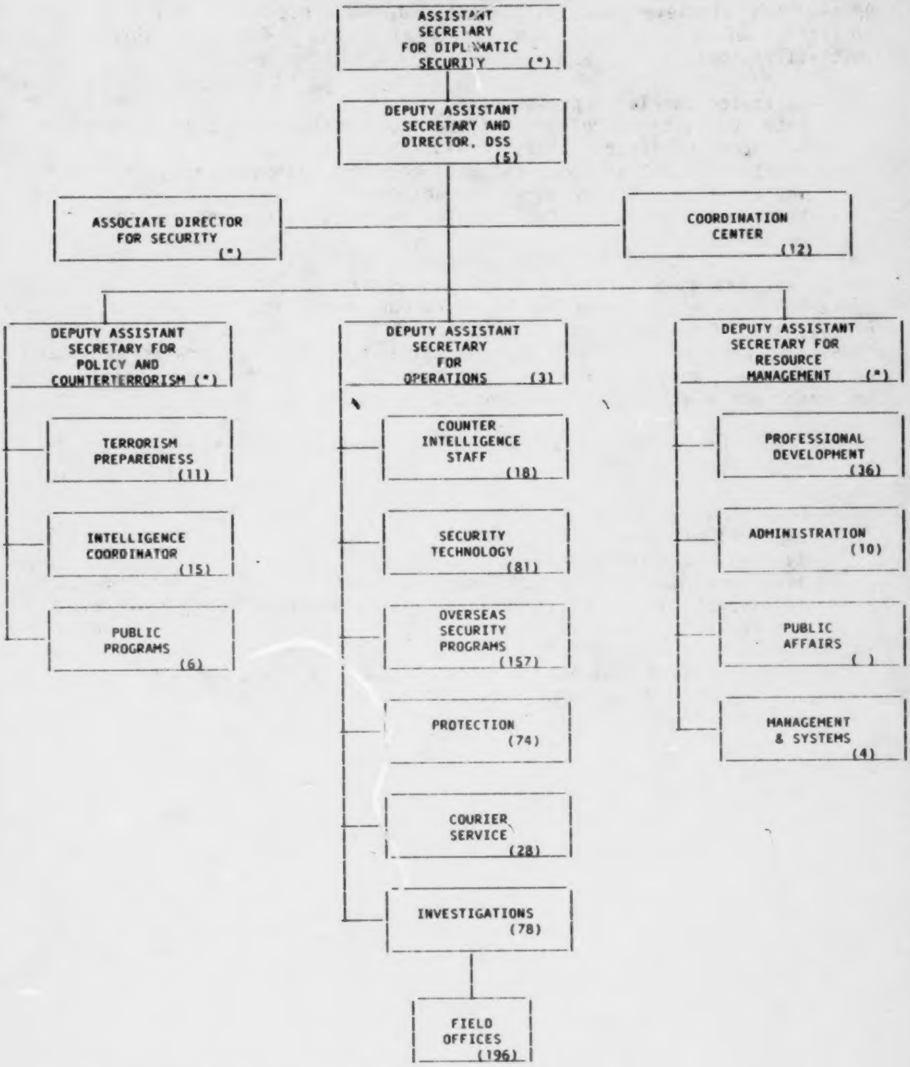
The Bureau has also initiated a variety of efforts to modernize its security operations, maintain installed security equipment, and improve the skills and professional development of its personnel. New program funding in both the 1985 supplemental and 1986 budgets will further the Department's goal of ensuring that adequate numbers of specially trained professional security personnel are available for our overseas missions.

Significant initiatives that are being enhanced and strengthened in 1986 include:

- --modernization of technical countermeasures capabilities;
- --expanded maintenance requirements for technical and physical security systems installed overseas;
- --additional Marine Security Guards for existing and new detachments;
- --additional fully armored vehicles, light armor official vehicles, and special protective equipment;
- --specialized counter-terrorism training through mobile training teams; and
- --a strengthened contract personnel background investigations program to reduce the time required to process routine personnel security investigations.

FY 1987
Organization Chart

Total Domestic Positions: 734


ASSISTANT SECRETARY FOR DIPLOMATIC SECURITY (*)
DEPUTY ASSISTANT SECRETARY AND DIRECTOR, DSS (5)
ASSOCIATE DIRECTOR FOR SECURITY (*)
COORDINATION CENTER (12)
DEPUTY ASSISTANT SECRETARY FOR POLICY AND COUNTERTERRORISM (*)
TERRORISM PREPAREDNESS (11)
INTELLIGENCE COORDINATOR (15)
PUBLIC PROGRAMS (6)
DEPUTY ASSISTANT SECRETARY FOR OPERATIONS (3)
COUNTER INTELLIGENCE STAFF (18)
SECURITY TECHNOLOGY (81)
OVERSEAS SECURITY PROGRAMS (157)
PROTECTION (74)
COURIER SERVICE (28)
INVESTIGATIONS (78)
FIELD OFFICES (196)
DEPUTY ASSISTANT SECRETARY FOR RESOURCE MANAGEMENT (*)
PROFESSIONAL DEVELOPMENT (36)
ADMINISTRATION (10)
PUBLIC AFFAIRS ( )
MANAGEMENT & SYSTEMS (4)

(*) = Positions are requested in the FY 1986 Security Supplemental.

Bureau of Diplomatic Security

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Assistant Secretary for Diplomatic Security*	--	--	--
Deputy Assistant Secretary and Director, DSS	5	5	5
Associate Director for Security*	--	--	--
Coordination Center	12	12	12
Deputy Assistant Secretary for Policy and Counterrorism*	--	--	--
Deputy Assistant Secretary for Operations	3	3	3
Deputy Assistant Secretary for Resource Management*	--	--	--
Terrorism Preparedness	11	11	11
Intelligence Coordinator	15	15	15
Public Programs	6	6	6
Counter-Intelligence Staff	18	18	18
Security Technology	81	81	81
Overseas Security Programs	15	157	157
Protection	74	74	74
Courier Service	28	28	28
Investigations	78	78	78
Field Offices	196	196	196
Professional Development	36	36	36
Administration	10	10	10
Public Affairs*	--	--	--
Management and Systems	4	4	4
TOTAL	592	734	734

* - Positions are requested in the 1986 Security Supplemental.

Bureau of Diplomatic Security

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate......................	734	44	--	778	$122,783
Built-In Changes					
Non-Recurring Decreases..........	--	--	--	--	-530
1987 Price Increases.............	--	--	--	--	268
SUBTOTAL, Built-In Changes.........	--	--	--	--	-262
1987 Current Services..............	734	44	--	778	122,521
Program Changes					
Security Requirements............	--	--	--	--	2,000
1987 Request (Budget Authority)....	734	44	--	778	124,521

Office of Communications

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr. (-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
545	$164,702	537	$161,291	537	$158,660	--	-$2,631

I. Summary

The Office of Communications (A/OC) provides worldwide telecommunications, pouch, mail, and classified information handling support as required by the President, the Secretary of State, the Department and it's 262 missions, and the approximately 50 USG agencies within the Foreign Affairs community. In addition, the Office manages the Department's primary and alternate communications centers. More specifically, A/OC's responsibilities include: providing specialized communications services in support of the travel of the Secretary or other VIP's, major conferences and crisis situations; planning, designing, managing, operating and maintaining all Department of State communications programs, facilities and systems; providing worldwide telecommunications services to support the requirements of the Foreign Affairs Community; and satisfying DOS communications responsibilities as identified in Presidential, Congressional, National Security and Departmental mandates.

A/OC's goals are: design and implement a network architecture with adequate capacity and versatility to satisfy requirements of user agencies within the Foreign Affairs Community; expand the Department's contingency communications equipment inventory to include adequate levels of secure record, data, voice and videoteleconferencing systems; modernize and enhance communications capabilities at all foreign service posts, to include voice, record, and data communications; and improve diplomatic pouch and mail services to overseas posts.

II. Current Programs

The Department's communications programs emphasize modernization and automation of communications systems and equipment worldwide. Highlights of recent program accomplishments are listed below.

-- Provided 21 replacement VHF voice radio systems to overseas posts.

-- Replaced 20 HF voice radio systems used for inter-country voice radio communications in Africa.

-- Installed 8 shielded enclosures as part of recent post communication Centers renovations.

-- Constructed and/or renovated post communications centers in short-term leased buildings in Chengdu and Wuhan in the People's Republic of China.

-- Installed Classified Information Handling Systems, thus providing secure electronic storage, retrieval, networking, and word processing capabilities, at 15 posts.

-- Completed the Alternate Communications Center.

III. 1987 Plans

In 1987 the Office of Communications will continue modernization and automation of communications systems and equipment worldwide by: providing replacement VHF voice radio systems to overseas posts; replacing HF voice radio systems used for inter-country voice radio communications; and installing Classified Information Handling Systems, thus providing secure electronic storage, retrieval, networking, and word processing capabilities, at posts worldwide.

The Office of Communications will continue to manage the Department's central terminal and relay functions by operating and maintaining the Alternate Communications Center.

Further, the Office of Communications will continue to manage and fund all USG leased circuits overseas.

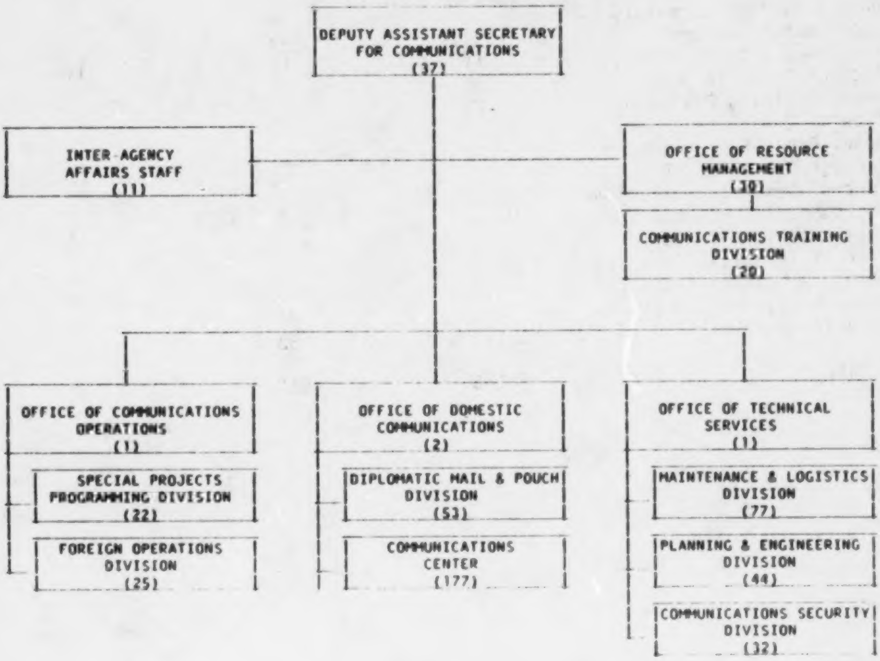
The 1987 request includes an increase of $2 million to continue implementation of Phase I of the Non-Government Owned (NGO) Circuitry program at an adequate level. The 1987 NGO Circuitry program includes the lease of an additional 10 circuits.

As a result of one-time costs associated with the Alternate Communications Center that was completed in 1986, the 1987 request for the Office of Communications reflects a net decrease of $2.6 million.

Office of Communications

FY 1987
Organization Chart

Total Domestic Positions: 532


DEPUTY ASSISTANT SECRETARY FOR COMMUNICATIONS (37)
INTER-AGENCY AFFAIRS STAFF (11)
OFFICE OF RESOURCE MANAGEMENT (30)
COMMUNICATIONS TRAINING DIVISION (20)
OFFICE OF COMMUNICATIONS OPERATIONS (1)
SPECIAL PROJECTS PROGRAMMING DIVISION (22)
FOREIGN OPERATIONS DIVISION (25)
OFFICE OF DOMESTIC COMMUNICATIONS (2)
DIPLOMATIC MAIL & POUCH DIVISION (53)
COMMUNICATIONS CENTER (177)
OFFICE OF TECHNICAL SERVICES (1)
MAINTENANCE & LOGISTICS DIVISION (77)
PLANNING & ENGINEERING DIVISION (44)
COMMUNICATIONS SECURITY DIVISION (32)

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Deputy Assistant Secretary for Communications.......	37	37	37
Interagency Affairs Staff...	11	11	11
Office of Resource Mgmt.....	30	30	30
Comm. Training Division...	17	20	20
Office of Comm. Operations..	1	1	1
Spec. Proj. & Programming.	22	22	22
Foreign Operations Div....	25	25	25
Office of Dom. Communications	2	2	2
Diplo. Mail & Pouch Div...	78	53	53
Communications Center.....	175	177	177
Office of Technical Services	1	1	1
Maint. & Logistics Div....	77	77	77
Plan. & Engineering Div...	42	44	44
Security Divsion..........	27	32	32
Total..................	545	532	532

Office of Communications

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS ($ in thousands)
	Americans				
	Dom.	Ovseas	FSNs	Total Pos.	Total Funds
1986 Estimate......................	532	5	--	537	$161,291
Built-In Changes					
Non-Recurring Decreases..........	--	--	--	--	-5,346
1987 Price Increases.............	--	--	--	--	715
SUBTOTAL, Built-In Changes.........	--	--	--	--	-4,631
1987 Current Services..............	532	5	--	537	156,660
Program Changes					
Communications Programs..........	--	--	--	--	2,000
1987 Request (Budget Authority)....	532	5	--	537	158,660

Information Systems

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr. (-)	
Positions	Funds	Positions	Funds	Positions	Funds	Positions	Funds
244	$25,045	250	$26,420	297	$31,424	47	$5,004

I. Summary

The Information Systems Office (ISO) is the Department's central reservoir of data processing expertise for planning, policy and operations. ISO operates the Department's central computer facility and three Regional Administrative Management Centers (RAMCs) located in Bangkok, Mexico City and Paris. ISO develops and maintains automated systems and software for the full range of the Department's classified and unclassified systems, and manages the Department's worldwide unclassified overseas automation program, and the three overseas RAMCs.

ISO is assigned a lead role, in cooperation with the Office of Communications and the Office of Operations, in the development and implementation of the Department's strategic information technology plan. This plan, the Foreign Affairs Information System (FAIS), is included in the Bureau of Administration's 1987 budget request.

II. Current Programs

During 1985, ISO responded to computer security concerns by installing an uninterruptable power supply to maintain continuity of operations in the event of surges or outages, and by beginning the enhancement of its two main processors toward a diadic processing capability. This enhancement will be completed in 1986. Additional processing capability is essential not only from a computer security perspective but also to deal with increased operational workloads, both current and those coming from new programs such as the implementation of a Fourth Generation Language/Data Base Management System. The Office also coordinated the implementation of common operating systems by all three RAMCs.

Responsibilities of the Office included: the design of the Department's strategic information technology vehicle, FAIS; and the development of a new American payroll system CAPPS (Consolidated American Payroll Processing System) through joint efforts with the Office of the Comptroller; CAPPS was implemented at RAMCs Bangkok, Mexico City and Paris, as well as ISO. Major systems under development include: FAIS; an enhanced intelligence handling system for the Bureau of Intelligence and Research; the Foreign Service National Payroll System; and an improved personnel system that will utilize a Fourth Generation Language/Data Base Management System. In addition to development projects, the Office maintains the software for approximately 45 systems resident on ISO mainframes. Last year approximately 650 separate software maintenance requests were handled. In addition, the Office opened its prototype information center to selected customers on a pilot basis, as part of its effort to increase user productivity.

ISO is responsible for supporting a worldwide unclassified Overseas Automation Program (OAP) made up of 62 State minicomputers at 46 overseas sites, as well as over 300 overseas word processors and microcomputers. The Office provides central computer/word processing procurement assistance and overseas support to AID, USIA, the Departments of Agriculture and Commerce, U.S. Trade Representative and the Drug Enforcement Agency. In 1985 and 1986 a major effort has been the preparation of a Request For Proposals (RFP) to replace existing vendor contracts for word and data processing equipment.

In the overseas support area, a significant effort was made to strengthen RAMC participation in the Overseas Automation Program (OAP). An excellent start was made, accomplishing for example the training of 313 State and other agency personnel in the use of microcomputer, word processing and minicomputer applications. RAMC personnel also assisted with computer installations at a number of posts and troubleshooting for all their serviced posts. The RAMCs also completed their equipment and operating systems standardization programs. In conjunction with the implementation of CAPPS, all three RAMCs now have high speed telecommunications lines connecting them with ISO's domestic computer operations. Systems in development include a version of the new Financial Management System (FMS) and the new Foreign Service National Payroll System.

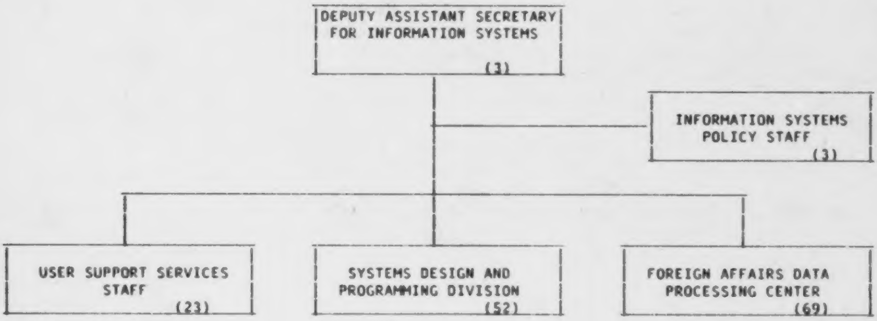
III. 1987 Plans

The 1987 Budget request for ISO reflects an increase of 47 positions and $5,004,000.

ISO's resource requirements are driven by three significant factors. First, the Bureau is committed to a substantial computer security program as reflected in the Department's 1986 Security Supplemental Appropriation request. Second, personnel resources are urgently needed to meet operational requirements for providing assistance to an ever-increasing number of users and on-going efforts in support of REFORM 88 initiatives for management systems in the financial (FMS, CAPPS, FSN Payroll), personnel and property areas. Third, major development efforts such as FAIS, the Intelligence Handling System (IHS) for INR, and consular systems such as the Consular Lookout and Support System (CLASS) and the Overseas Case Activity Reporting system (OSCAR) are requiring an enhanced ISO computer and systems support effort.

FY 1987
Organization Chart

Total Domestic Positions: 150


DEPUTY ASSISTANT SECRETARY FOR INFORMATION SYSTEMS
(3)
INFORMATION SYSTEMS POLICY STAFF
(3)
USER SUPPORT SERVICES STAFF
(23)
SYSTEMS DESIGN AND PROGRAMMING DIVISION
(52)
FOREIGN AFFAIRS DATA PROCESSING CENTER
(69)

Information Systems

FY 1987
Permanent Domestic Staff by Organization Unit

	1985 ACTUAL	1986 ESTIMATE	1987 REQUEST
Office of the Deputy Assistant Secretary for Information Systems.........	3	3	3
Systems Policy Staff.........	--	--	3
Foreign Affairs Data Processing Center..........	48	48	69
Systems Design and Programming Division.......	37	37	52
User Support Services Staff.	19	19	23
Total.......................	107	107	150

Permanent Staff by Post

Information Systems

Country and Post	1985 Actual			1986 Estimate			1987 Request		
	Amer.	FSN	Total	Amer.	FSN	Total	Amer.	FSN	Total
France, Regional Administrative Management Center, Paris...........	6	62	68	6	62	68	6	62	68
Mexico, Regional Administrative Management Center, Mexico City.....	6	14	20	6	20	26	6	24	30
Thailand, Regional Administrative Management Center, Bangkok.........	6	43	49	6	43	49	6	43	49
Total...................	18	119	137	18	125	143	18	129	147

Office of Information Systems

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate......................	107	18	125	250	$26,420
Built-In Changes					
Annualization of 1986 Increases......................	--	--	--	--	136
1987 Wage Increases..............	--	--	--	--	78
1987 Price Increases.............	--	--	--	--	137
SUBTOTAL, Built-In Changes.........	--	--	--	--	351
1987 Current Services..............	107	18	125	250	26,771
Program Changes					
Information Systems..............	43	--	4	47	4,653
1987 Request (Budget Authority)....	150	18	129	297	31,424

Office of Foreign Missions

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr. (-)	
Positions	Funds	Positions	Funds	Positions	Funds	Positions	Funds
9	$1,838	9	$1,899	9	$1,899	--	--

I. Summary

The State Department's Office of Foreign Missions (OFM) is responsible for implementing the Foreign Missions Act of 1982. This legislation provides for the reciprocal treatment of the foreign missions of those governments which impose operational impediments, restrictions or taxes upon U.S. missions and personnel abroad. OFM seeks to reduce operating costs and enhance the effectiveness of U.S. Missions by establishing controls on the basis of reciprocity on the benefits enjoyed by foreign missions in this country. Other responsibilities of the Office include the maintenance of property in the United States which belongs to governments with which we do not have diplomatic relations and coordination of OFM activities with other foreign affairs and national security agencies.

II. Current Programs

OFM current programs include: operating a travel office to make common carrier reservations and reserve lodgings for domestic U.S. travel by members of selected foreign missions, including certain employees of the United Nations Secretariat; receives all real estate acquisition requests by foreign missions and coordinates the interagency process by which such proposals are reviewed.

OFM now titles, registers, and provides license plates for all diplomatic and consular motor vehicles owned by foreign missions and embassies throughout the United States. OFM has raised the amount of third party liability insurance which must be maintained for each such vehicle to $300,000 and has established an insurance tracking system in which carriers must now notify OFM in the event that such coverage is about to lapse. The Office also receives notice of motor vehicle offenses committed by members of foreign missions, has established new procedures to bring these driving violations to the personal attention of ambassadors, and has initiated a point system to bring the licenses of habitual violators under review. OFM has assumed from the Office of Protocol responsibility for certifying to local jurisdictions the eligibility of foreign missions' personnel and dependents for drivers' licenses in the United States and OFM has assumed the responsibility from local jurisdictions of issuing license plates.

Office of Foreign Missions

The Office of Foreign Missions issues sales tax exemption cards to diplomats in the greater Washington area which reflect the taxes our missions and personnel must pay abroad. In addition, the Office is working with other jurisdictions to replace their tax exemption systems with OFM's. The Office has also assumed responsibility for approving the importation and exportation of diplomatic cargo with the U.S. Customs Service.

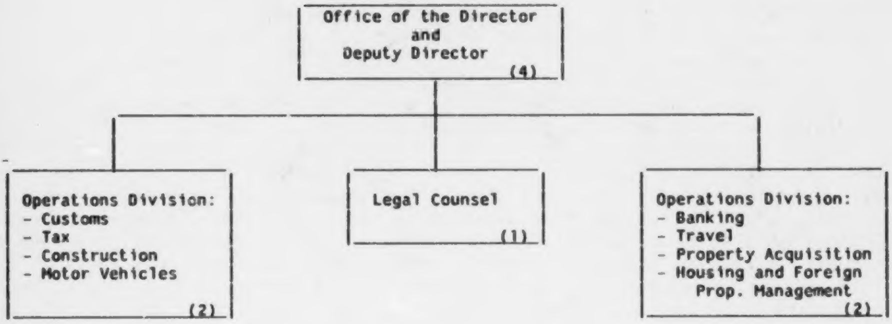
OFM has established a construction unit for the purpose of building structures here for foreign missions representing governments which require American embassies to use construction services provided by those governments. The Office has also begun a leasing program for providing residential housing to members of certain foreign missions. OFM has completed the renovation of all real property owned by Iran, Cambodia and Vietnam in the United States. Most of these properties have already been rented. The renovations were funded with monies belonging to those governments and from the proceeds of sale of their furnishings. Rental incomes will be used to cover ongoing maintenance expenses with any excess being placed in accounts for those governments.

III. 1987 Plans

In 1987, OFM will pursue the following new initiatives: assuming responsibility for issuing diplomats' driver's licenses from local jurisdictions; and the feasibility of establishing a reciprocal banking program that would allow the United States to levy surcharges and impose restrictions on certain foreign government bank accounts in this country. This program will attempt to remove similar conditions imposed on United States government bank accounts abroad.

FY 1987
Organization Chart

Total Domestic Positions: 9


Office of the Director
and
Deputy Director
(4)
Operations Division:
- Customs
- Tax
- Construction
- Motor Vehicles
(2)
Legal Counsel
(1)
Operations Division:
- Banking
- Travel
- Property Acquisition
- Housing and Foreign
Prop. Management
(2)

Post Assignment Travel

FY 1987
Summary Statement
(dollars in thousands)

(Does not include funds associated
with the overseas security program)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
--	$54,808	--	$60,690	--	$66,540	--	$5,850

I. Summary

These funds provide for travel, transportation and other related requirements connected with assignment, transfer, and separation of the Department's American full-time employees and their dependents. Major items that are funded include: airfare, shipping, excess baggage, per diem, ocean and air freight, packing and unpacking, hauling and storage. The Post Assignment Travel account is centrally managed in Washington. The Department estimates that 3,743 trips are expected in 1986 at an approximate cost of $60,690,000.

II. 1987 Plans

An increase of 180 overseas positions (not associated with the Overseas Security Program) is requested in 1987. Travel, transportation and related costs associated with the establishment of new officer and administrative support positions are financed from the Post Assignment Travel account. The net 1987 increase request of $5,850,000 is required to fund increased trips associated with new positions ($3,240,000), annualized of FY 1986 increases ($1,121,000) and FY 1987 domestic and overseas price increases ($1,489,000).

Post Assignment Travel

FY 1987
SUMMARY OF CHANGES

(Does not include funds associated with the overseas security program)

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate	--	--	--	--	$60,690
Built-In Changes					
Annualization of 1986 Increases	--	--	--	--	1,121
1987 Price Increases	--	--	--	--	1,489
SUBTOTAL, Built-In Changes	--	--	--	--	2,610
1987 Current Services	--	--	--	--	63,300
Program Changes					
Reporting and Analysis	--	--	--	--	1,872
Overseas Consular Workload	--	--	--	--	234
Overseas Administrative Support	--	--	--	--	576
Information Systems	--	--	--	--	558
SUBTOTAL, Program Changes	--	--	--	--	3,240
1987 Request (Budget Authority)	--	--	--	--	66,540

American Salaries

FY 1987

Summary Statement

(dollars in thousands)

(Does not include positions and funds associated
with the overseas security program)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
11,452	$455,270	11,760	$479,824	11,910	$496,849	150	$17,025

Summary

This request represents 1987 requirements of the centrally managed American Salaries account which provides funding for the payment of salaries and related benefits to worldwide full-time permanent American employees as authorized through the Salaries and Expenses appropriation.

An increase in American Salaries of $11,027,000 is required to fund 1986 new positions, periodic within grade increases throughout the year, and the effect of raising the hardship differential pay cap in FY 1986. In addition, in 1987 $5,998,000 in salaries is requested for the net increase of 150 positions associated with critical Department programs changes. New positions have been lapsed by 40% to more accurately reflect actual hiring practices.

FY 1987
SUMMARY OF CHANGES

(Does not include positions and funds associated with the overseas security program)

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate	7,217	4,543	--	11,760	$479,824
Built-In Changes					
Annualization of 1986 Increases	--	--	--	--	5,769
1987 Wage Increases	--	--	--	--	5,258
SUBTOTAL, Built-In Changes	--	--	--	--	11,027
1987 Current Services	7,217	4,543	--	11,760	490,851
Program Changes					
Management Savings	-166	--	--	-166	
Reporting and Analysis	56	104	--	160	3,272
Conduct of Relations with Micronesia	2	--	--	2	43
Overseas Consular Workload	--	13	--	13	259
Overseas Administrative Support	--	32	--	32	582
Information Systems	78	31	--	109	1,842
SUBTOTAL, Program Changes	-30	180	--	150	5,998
1987 Request (Budget Authority)	7,187	4,723	--	11,910	496,849

THE
DEPARTMENT OF STATE
NEW DIPLOMATIC SECURITY PROGRAM

DEPARTMENT OF STATE
FISCAL YEAR 1986 SECURITY SUPPLEMENTAL
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Department of State

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DEPARTMENT OF STATE
FY 1986 SECURITY SUPPLEMENTAL
SUMMARY OF INCREASES

(dollars in thousands)

	Positions	Amount
Acquisition and Maintenance of Buildings Abroad	177	$454,532
Salaries and Expenses:		
Security	373	172,042
Communications	58	22,769
Administration	93	5,337
Information Systems	26	27,481
Other Support	45	7,713
Agency for International Development	—	500
United States Information Agency	—	1,402
Peace Corps	—	250
Subtotal, Salaries and Expenses	595	237,494
Counterterrorism Research and Development	—	10,000
Anti-Terrorism Assistance	—	4,340
Grand Total, 1986 Security Supplemental	772	$706,366

1986 SECURITY SUPPLEMENTAL
SUMMARY BY APPROPRIATION

(dollars in thousands)

Appropriation	1986 ESTIMATE Pos.	 Amount	1987 ESTIMATE Pos.	 Amount	1988 ESTIMATE Pos.	 Amount	1989 ESTIMATE Pos.	 Amount	1990 ESTIMATE Pos.	 Amount	TOTAL 1986-1990 Pos.	 Amount
APPROPRIATED IN COMMERCE-JUSTICE-STATE APPROPRIATION:												
Salaries and Expenses..........	595	$237,494	712	$303,516	1,004	$286,347	1,094	$398,834	1,094	$404,676	1,094	$1,630,867
Acquisition and Maintenance of Buildings Abroad..........	177	454,532	177	1,089,609	177	619,843	177	422,542	177	67,414	177	2,653,940
Research and Development.......	--	10,000	--	20,000	--	19,000	--	18,000	--	17,000	--	84,000
Subtotal, Commerce-Justice-State..	772	702,026	889	1,413,125	1,181	925,190	1,271	839,376	1,271	489,090	1,271	4,368,807
APPROPRIATED IN FOREIGN ASST:												
Anti-Terrorism Assistance......	--	4,840	--	4,840	--	5,500	--	6,000	--	6,500	--	27,680
Grand Total.....................	772	$706,866	889*	$1,417,965	1,181*	$930,690	1,271	$845,376	1,271	$495,590	1,271	$4,396,487

*Represents cumulative positions, not increases.

FY 1986 SECURITY SUPPLEMENTAL - SUMMARY
ACQUISITION, OPERATION AND MAINTENANCE OF BUILDINGS ABROAD

(dollars in thousands)

Agency/Program	1986 ESTIMATE Pos.	1986 ESTIMATE Amount	1987 ESTIMATE Pos.	1987 ESTIMATE Amount	1988 ESTIMATE Pos.	1988 ESTIMATE Amount	1989 ESTIMATE Pos.	1989 ESTIMATE Amount	1990 ESTIMATE Pos.	1990 ESTIMATE Amount	TOTAL 1986-1990 Pos.	TOTAL 1986-1990 Amount
Department of State:												
Capital Program Projects:												
I. Construction at 75 Posts.....	--	$415,762	--	$1,022,162	--	$598,462	--	$468,088	--	$63,562	--	$2,568,036
II. Renovation and Relocation at 24 Posts..........	--	--	--	--	--	99,743	--	9,476	--	31,358	--	140,577
Subtotal, Capital Program Projects..	--	415,762	--	1,022,162	--	698,205	--	477,564	--	94,920	--	2,708,613
Project Support......................	177	4,769	177	6,638	177	6,904	177	7,180	177	7,466	177	32,957
Total, Department of State............	177	420,531	177	1,028,800	177	705,109	177	484,744	177	102,386	177	2,741,570
Agency for International Development:												
Capital Program Projects:												
I. New Construction or Relocation at 11 Posts......	--	13,432	--	24,286	--	23,079	--	10,000	--	5,000	--	75,797
II. Rehabilitation of Facilities at 40 Posts......	--	1,375	--	1,875	--	2,500	--	2,500	--	125	--	8,375
Total, AID............................	--	14,807	--	26,161	--	25,579	--	12,500	--	5,125	--	84,172
United States Information Agency:												
Capital Program Projects:												
I. Relocation of Offices & Libraries at 55 Posts.......	--	5,817	--	12,545	--	10,121	--	7,121	--	3,559	--	39,163
II. Relocation of Libraries & Cultural Ctrs. at 17 Posts..	--	2,619	--	2,095	--	1,571	--	1,571	--	1,049	--	8,905
III. Security Upgrades at 30 VOA Relay Stations..........	--	7,008	--	16,008	--	14,463	--	6,606	--	5,295	--	49,380
Total, USIA...........................	--	15,444	--	30,648	--	26,155	--	15,298	--	9,903	--	97,448
Department of Commerce Overseas:												
Capital Program Projects............	--	3,750	--	4,000	--	3,000	--	--	--	--	--	10,750
Subtotal (excluding proceeds of sale).	177	454,532	177	1,089,609	177	759,843	177	512,542	177	117,414	177	2,933,940
Deduct: Proceeds of Sale...........		--		--		-140,000		-90,000		-50,000		-280,000
Total, Acquisition, Operation and Maintenance of Buildings Abroad.....	177	$454,532	177	$1,089,609	177	$619,843	177	$422,542	177	$67,414	177	$2,653,940

Acquisition and Maintenance of
Buildings Abroad (Regular)

DEPARTMENT OF STATE

FISCAL YEAR 1986 SECURITY SUPPLEMENTAL

Acquisition and Maintenance of Buildings Abroad

Appropriation: Acquisition and Maintenance
of Buildings Abroad

Appropriation to Date: $337,000,000 Request: $454,532,000

Amended Appropriation Requested: $791,532,000

Purpose and Need for Supplemental Funds

Emergency Protection for U.S. Personnel and Missions Overseas

A fiscal year 1986 security supplemental appropriation of $454,532,000 and fiscal year 1986-90 authorization of $2,653,940,000 is requested for the urgent correction of weaknesses in the provision of essential security and security-related services for the Department of State and other foreign affairs agencies. A summary of the two types of Capital Projects contained in this Security Supplemental is as follows:

	FY 1986 ESTIMATE		FY 1986-1990	
	Pos.	Amount	Pos.	Amount
Capital Program Projects:				
Construction Projects	177	$454,532,000	177	$2,513,363,000
Renovation and Relocation Projects	--	--	--	140,577,000
Total	177	454,532,000	177	2,653,940,000

In 1985, the Secretary of State's Advisory Panel on Overseas Security presented several important reports concerning the Department of State's security policies and programs. In these reports, the Panel was especially concerned by the large and constantly-growing demand for security services that was being generated, both in Washington and overseas, by the increasingly hostile physical and electronic environments in which the Department of State and the other foreign affairs agencies operate. The Panel did not believe that this high level of security-related threats against our overseas diplomatic activities would abate. On the contrary, all studies and projections of terrorist and surveillance activities support the view that such activity will increase over its already high level. As shown by the recent bombings of our

Purpose and Need for Supplemental Funds

Emergency Protection for U.S. Personnel and Missions Overseas

embassy buildings in the Middle East, as well as by the levels of electronic and other eavesdropping activities by our adversaries, we have allowed too manyof our overseas facilities to fall below minimum security standards and thus become vulnerable to such incidents.

The use of explosive-laden suicide vehicles, as in the Beirut and Kuwait bombing attacks over the past three years, has proven to be a particularly devastating new form of terrorist tactic. Major new efforts to defend against this form of attack must be taken. Unfortunately, defenses against incursions of a suicide vehicle or similar bombing threat can only be effective when there is sufficient space to prevent the explosive from gaining close access to a building.

As part of its mandate, the Panel undertook a detailed study of the security conditions at the overseas posts of the Department of State and the other foreign affairs agencies. In particular, the extent to which these facilities conformed to the Department's existing physical security standards was reviewed. One of the major conclusions to emerge from this analysis is that 344 facilities of the Department of State (State), United States Information Agency (USIA), Agency for International Development (AID) and the U.S. and Foreign Commercial Service of the Department of Commerce (FCS) do not meet current minimum security standards for location, structural integrity and tenancy. As a result, they remain particularly vulnerable to a wide range of threats, including but not limited to terrorist attack, mob violence, and technical or electronic penetration.

These 344 facilities include examples of a number of inadequate physical security situations which make these facilities vulnerable to such threats. A number of the facilities on this list are currently directly on or near streets and other public areas and are therefore impossible to protect adequately. In some cases, facilities are located in buildings over which the U.S. Government does not have complete control due to other tenants who share the facility or common walls with adjacent structures. At other facilities, the existing external perimeter barriers -- such as walls, fences, and other obstacles such as berms and bollards -- are incapable of stopping a vehicle attempting to penetrate the compound.

In considering the overall security situation, the Advisory Panel reached several important conclusions concerning the buildings in which our overseas foreign affairs activities are located:

-- It is essential that the United States exercise complete control over the buildings in which its activities are located.

-- The specific location of the facilities is the paramount consideration in the avoidance of security-related incidents of every kind. Being on the

Emergency Protection for U.S. Personnel and Missions Overseas

busiest or most fashionable street may have been an asset in earlier days, but today it is a distinct liability.

-- Co-location within a building with other tenants whom the United States neither chooses nor controls presents a substantial security risk.

-- It is extremely difficult to safeguard national security information against modern electronic and audio techniques when other buildings are adjacent to or near our facilities.

-- The age, architecture and design of our buildings are critical factors in determining our capability to defend against penetration and assault. Many buildings simply cannot be upgraded to the standards that are necessary today.

-- Adequate funding is essential to assure that needed building improvements and construction can be accomplished rapidly and effectively.

The program presented in this request has been prepared in the light of both the Advisory Panel reports and additional analysis of the state of our security program and overseas facilities. Of course no program can absolutely guarantee that there will be no more security incidents. However, this building program will go far towards the necessary improvements in the security posture required to meet the existing and projected threat to our overseas personnel, facilities and national security information.

Acquisition and Maintenance of
Buildings Abroad (Regular)

1986 SECURITY SUPPLEMENTAL ESTIMATES
Acquisition, Development and Construction Costs

(dollars in thousands)

Construction at 23 Posts, $454,532,000 in FY 1986, 75 Posts and $2,513,363,000 in FY 1986-90:

				Construction			Commo. &		
Location	Pg.	Site Purchase	Design	Regular	Special	Furn/ Furnish	Security Equipment	Admin	Total
FY 1986:									
AF									
Djibouti	8	$ --	$	$ 800	$ --	$ --	$ --	$ --	$ 800
Khartoum	10	--	--	23,041	4,071	1,460	3,848	1,520	33,940
Mogadishu	12	--	1,180	18,107	--	--	--	--	19,287
ARA									
Caracas	14	10,000	706	4,771	5,244	--	--	--	20,721
Georgetown	16	--	--	4,307	--	--	--	--	4,307
Kingston	18	2,000	640	31,060	11,868	3,052	3,848	1,160	53,628
La Paz	20	--	1,100	6,233	5,278	--	--	--	12,611
Santiago	22	--	--	31,020	6,693	1,725	3,848	1,270	44,556
Tegucigalpa	24	--	--	4,351	--	--	--	--	4,351
EUR									
Cyprus	26	--	--	1,613	2,967	--	--	--	4,580
Geneva	28	--	3,450	29,546	6,693	2,507	6,706	7,268	56,170
Istanbul	30	12,650	--	5,885	--	--	--	390	18,925
Izmir	32	1,000	--	6,440	759	210	3,286	630	12,325
London	34	--	--	--	17,412	--	--	2,588	20,000
Moscow	NA	--	--	--	25,000	--	--	--	25,000
NEA									
Amman	36	7,000	1,665	10,270	5,966	--	--	--	24,901
Dhaka	38	--	--	5,651	--	--	--	--	5,651
Doha	40	--	400	4,095	1,863	--	--	--	6,358
Kuwait	42	--	--	1,924	4,078	--	--	--	6,002
Manama	44	--	--	2,212	--	--	--	--	2,212
Muscat	46	--	--	681	--	--	--	--	681
Sanaa	48	--	1,200	5,493	1,863	--	--	--	8,556
Tunis	50	--	--	19,166	2,967	2,495	4,142	1,430	30,200
Subtotal, State		32,650	10,341	216,666	102,722	11,449	25,678	16,256	415,762
Proj Support		--	--	--	--	--	--	4,769	4,769
USAID	179	--	--	14,807	--	--	--	--	14,807
USIA	185	--	--	15,444	--	--	--	--	15,444
Commerce	191	--	--	3,750	--	--	--	--	3,750
Total, 1986		32,650	10,341	250,667	102,722	11,449	25,678	21,025	454,532

Acquisition and Maintenance of Buildings Abroad (Regular)

Construction Projects (cont'd):

(Dollars in thousands)

		Site		Construction		Furn/	Commo. & Security		
Location	Pg.	Purchase	Design	Regular	Special	Furnish	Equipment	Admin	Total
FY 1987:									
AF:									
Abidjan	52	$--	$ --	$23,971	$6,210	$2,010	$3,848	$1,470	$37,509
Kampala	54	10,000	293	10,353	300	1,150	3,075	3,741	28,912
Pretoria	56	2,100	--	16,744	4,278	1,440	4,428	4,308	33,298
Yaounde	58	5,000	938	15,553	300	384	3,382	3,798	29,355
ARA:									
Bogota	60	6,941	2,197	28,359	5,658	2,555	4,428	7,451	57,589
Lima	62	12,000	1,790	31,100	8,073	2,915	3,881	8,881	68,640
EAP:									
Chiang Mai	64	2,300	649	12,275	300	1,380	1,535	2,740	21,179
Tokyo	66	--	--	--	17,131	--	--	--	17,131
EUR:									
Ankara	68	2,600	--	29,252	8,894	343	4,142	1,190	46,421
Athens	70	10,000	--	--	--	--	--	--	10,000
Berlin	72	11,000	1,434	25,669	5,198	1,967	3,626	7,266	56,160
Bonn	74	--	--	19,486	--	--	--	--	19,486
Brussels	76	7,500	1,737	28,986	750	3,450	4,428	6,963	53,814
Budapest	78	10,000	1,438	23,790	4,508	1,788	3,626	6,710	51,860
Istanbul	30	--	--	8,675	5,727	--	--	380	14,782
Paris	80	--	--	--	8,438	--	--	1,254	9,692
Prague	82	16,000	1,424	33,194	5,658	2,076	3,728	9,226	71,306
Sofia	84	6,500	911	18,370	1,621	2,076	3,626	4,920	38,024
Vienna	86	25,000	1,651	29,029	10,559	6,900	4,566	11,548	89,253
NEA:									
Abu Dhabi	88	--	1,500	20,307	2,208	734	3,848	455	29,052
Alexandria	90	6,000	672	11,892	300	1,150	1,535	3,203	24,752
Cairo	92	--	1,620	32,884	9,652	4,110	5,250	1,092	54,608
Jerusalem	94	10,000	920	17,839	2,104	1,055	3,849	5,316	41,083
Rabat	96	400	1,340	22,185	3,933	2,404	3,848	723	34,833
Tel Aviv	98	15,218	1,753	37,895	8,073	3,635	4,272	12,577	83,423
Subtotal State		158,559	22,267	497,808	119,873	43,522	74,921	105,212	1,022,162
Proj Support		--	--	--	--	--	--	6,638	6,638
USAID	179	--	--	26,161	--	--	--	--	26,161
USIA	185	--	--	30,648	--	--	--	--	30,648
Commerce	191	--	--	4,000	--	--	--	--	4,000
Total, 1987		158,559	22,267	558,617	119,873	43,522	74,921	111,850	1,089,609
FY 1988:									
AF:									
Antan'rivo	100	3,000	1,970	22,651	1,173	1,278	3,547	4,996	38,615
Johan'burg	102	4,500	693	11,332	655	1,380	3,361	3,258	25,179

Acquisition and Maintenance of Buildings Abroad (Regular)

Construction Projects (cont'd):

(Dollars in thousands)

		Site		Construction		Furn/	Commo. & Security		
Location	Pg.	Purchase	Design	Regular	Special	Furnish	Equipment	Admin	Total
FY 1988 (Cont'd)									
ARA:									
Panama	104	--	2,521	37,310	10,143	2,366	4,428	8,437	65,205
Paramaribo	106	4,000	1,150	19,767	1,863	587	3,197	4,542	35,106
Quito	108	2,500	1,120	46,546	6,003	1,910	4,142	455	62,676
EAP:									
Bangkok	110	--	1,422	33,343	14,313	1,856	2,385	7,924	61,243
Rangoon	112	--	--	23,500	5,579	1,700	3,815	1,160	35,754
Hong Kong	114	--	--	--	5,466	--	--	812	6,278
K'la Lampur	116	6,000	--	--	--	--	--	--	6,000
Osaka	118	--	--	--	2,553	--	--	379	2,932
EUR:									
Copenhagen	120	12,000	1,404	23,523	4,161	1,725	3,953	6,950	53,716
Hamburg	122	11,500	1,297	21,654	4,002	1,725	1,723	6,227	48,128
Istanbul	30	--	--	6,248	--	240	4,142	370	11,000
Madrid	124	12,500	936	22,572	500	3,450	4,428	6,596	50,982
Zagreb	126	1,000	1,004	14,339	2,537	431	3,486	3,388	26,185
NEA:									
Algiers	128	--	--	27,540	2,898	1,890	3,848	1,530	37,706
Bombay	130	--	1,400	15,781	3,519	1,380	4,145	5,532	31,757
Subtotal, State		57,000	14,917	326,106	65,365	21,918	50,600	62,556	598,462
Proj Support		--	--	--	--	--	--	6,904	6,904
USAID		--	--	25,579	--	--	--	--	25,579
USIA		--	--	26,155	--	--	--	--	26,155
Commerce		--	--	3,000	--	--	--	--	3,000
Total 1988		57,000	14,917	380,840	65,365	21,918	50,600	69,460	660,100
FY 1989:									
AF:									
Kinshasa	132	$12,500	$1,636	$19,185	$6,003	$ 772	$4,236	$6,588	$50,920
ARA:									
Bridgetown	134	2,639	1,034	17,725	300	379	3,626	3,820	29,523
Nassau	136	--	1,678	19,646	750	1,150	3,507	3,972	30,703
Rio de Jan	138	14,862	1,535	26,684	3,150	2,298	4,004	7,808	60,341
Sao Paulo	140	12,500	1,094	15,890	300	1,074	3,626	5,125	39,609
EAP:									
Jakarta	142	10,000	1,510	24,325	10,419	4,750	4,334	555	55,893
Seoul	144	--	--	28,735	8,683	5,054	4,142	1,800	48,414
EUR:									
Bern	146	15,842	1,113	16,990	5,326	920	4,507	6,643	51,341
The Hague	148	11,000	1,382	26,509	500	1,725	3,659	6,654	51,429
Thesal'iki	150	5,500	892	13,380	300	575	1,220	3,250	25,117

Acquisition and Maintenance of Buildings Abroad (Regular)

Construction Projects (cont'd):

(Dollars in thousands)

Location	Pg.	Site Purchase	Design	Construction		Furn/ Furnish	Commo. & Security Equipment	Admin	Total
				Regular	Special				
FY 1989 (Cont'd)									
Valletta	152	7,000	949	10,845	641	575	1,579	3,209	24,798
Subtotal, State		91,843	12,823	219,914	36,372	19,272	38,440	49,424	468,088
Proj Support		--	--	--	--	--	--	7,180	7,180
USAID	179	--	--	12,500	--	--	--	--	12,500
USIA	185	--	--	15,298	--	--	--	--	15,298
Commerce	191	--	--	--	--	--	--	--	--
Total 1989		91,843	12,823	247,712	36,372	19,272	38,440	56,604	503,066
FY 1990:									
AF:									
Ouagadougou	154	750	784	10,719	300	191	3,507	2,415	18,666
Capetown	156	4,000	790	11,987	2,537	690	3,486	3,491	26,981
EUR:									
Luxembourg	158	3,000	670	8,842	897	600	3,386	520	17,915
Subtotal, State		7,750	2,244	31,548	3,734	1,481	10,379	6,426	63,562
Proj Support		--	--	--	--	--	--	7,466	7,466
USAID		--	--	5,125	--	--	--	--	5,125
USIA		--	--	9,903	--	--	--	--	9,903
Commerce		--	--	--	--	--	--	--	--
Total 1990		7,750	2,244	46,576	3,734	1,481	10,379	13,892	86,056
Subtotal		347,802	62,592	1,503,514	308,964	97,642	200,018	272,831	2,793,363
Less: Anticipated Proceeds									-280,000
Total, Construction									2,513,363

1986 SECURITY SUPPLEMENTAL ESTIMATES
Acquisition, Development and Construction

PROJECT DESCRIPTIONS

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING ANNEX	DJIBOUTI, Djibouti	Total: $ 800

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	13	14	12	14	25	28
Other USG	3	4	3	4	6	8
Total USG	16	18	15	18	31	36

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	24	16
Proposed facilities	42	29
Difference	18	13

Narrative Description:

The compound perimeter fence and existing buildings do not meet security standards. The chancery is in two separate buildings. Public access controls (PAC) are non-existent and the post comunications center (PCC) is in yet a third building across the compound. By utilizing and improving the existing buildings and constructing two buildings with a new PCC and PAC, we will have a functional chancery that will meet our security and space requirements. Construction costs have increased by $800,000 because of improved security features which will be added to the Annex.

Acquisition and Maintenance of Buildings Abroad (Regular)

Djibouti, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY-86	FY-87	FY-88	FY-89	FY-90	Total Funds Required
Projects:								
Site Acquisition								
Development								
Construction		$1,800	$800					$2,600
One Time Costs:								
Supervision								
Furniture/Furnishings								
Commo & SY								
TOTAL PROJECT COSTS		1,800	800					2,600
Less: Funds Provided to Date								-1,800
TOTAL FUNDS REQUIRED								800

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	SUDAN, Khartoum	Total: $ 33,940

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	37	52	29	41	66	93
Other USG	29	31	26	14	55	45
Total USG	66	83	55	55	121	138

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facility	23	17
Proposed facility	66	43
Difference	43	26

Narrative Description:

The Embassy in Khartoum is faced with serious potential threats of terrorist attack and mob violence. Our present short-term leased OBC is a remodeled eight story apartment which is directly on a main street with a public alley on one side. More importantly, the building is less than two blocks away from the local university, making the present OBC a likely target for any student unrest or mob action directed against us. The political situation is uneasy as demonstrated in a recent coup.

Funds ($2,410,000) were approved for site acquisition and development in the 1986 Capital Budget with construction to have begun in 1988. Due to an accelerated building program, construction for this Office Building Chancery (OBC) has been moved up to 1986. Construction costs have increased significantly because of additional security requirements which includes: more stringent blast resistant standards, increased use of antiballistic construction materials, stronger and higher external perimeter walls and other barriers, electronic penetration deterrents, and emergency electrical power equipment.

Square footage for existing facilities does not include space currently occupied in annexes nor a projected personnel increase of 17.

Acquisition and Maintenance of Buildings Abroad (Regular)

Sudan, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY-86	FY-87	FY-88	FY-89	FY-90	
Projects:								
Site Acquisition		$1,500						$ 1,500
Development		910						910
Construction			$23,041					23,041
Special Construction			4,071					4,071
One Time Costs:								
Supervision			530	$500	$490			1,520
SY/Commo Equipment				3,848				3,848
Furniture/Furnishing:								
Initial				1,860				1,860
Recycled				-400				-400
Net Furniture Costs				1,460				1,460
TOTAL PROJECT COSTS		2,410	27,642	5,808	490			36,350
Less: FY 1986 Regular Budget								-2,410
TOTAL FUNDS REQUIRED								33,940

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Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Cost
OFFICE BUILDING CHANCERY	SOMALIA, Mogadishu	Total: $ 19,287

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	32	32	72	72	104	104
Other USG	26	26	42	42	68	68
Total USG	58	58	114	114	172	172

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	12	7
Proposed facilities	27	19
Difference	15	12

Narrative Description:

Mogadishu is a post with significant potential security threats. The Mogadishu Chancery project was originally budgeted in the 1985 Security Supplemental to replace the current chancery which is considered a fire hazard and is severely over-crowded.

Funds are requested in this supplemental for the increased costs attributed to the application of revised physical security standards and practices developed since the submission of that Supplemental. Specifically, plans call for construction of facilities consisting of a chancery, Ambassador's residence, Deputy Chief of Mission and Marine Guard residences, eight staff houses and warehouse. The original construction and design estimates of $13,527,000 have increased to $19,287,000 because improved security features and increased space requirements for a USIA Building and a General Services complex. Many of these new standards and practices were based on detailed studies of the recent bombing incidents against our facilities in the Middle East.

Square footage for existing facilities does not include space currently occupied in annexes.

Acquisition and Maintenance of Buildings Abroad (Regular)

Somalia, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY-86	FY-87	FY-88	FY-89	FY-90	Total Funds Required
Projects:								
Site Acquisition								
Development		$ 813	$ 1,180					$ 1,993
Construction		13,527	18,107					31,634
One Time Costs:								
Supervision								
Furniture/Furnishings					$1,474			1,474
Initial								
Recycled								
Net Furniture Costs								
TOTAL PROJECT COSTS		14,340	19,287		1,474			35,101
Less: Funds Provided To Date								-14,340
Out Year Funding Requirements								-1,474
TOTAL FUNDS REQUIRED 1986								19,287

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	VENEZUELA, Caracas	Total: $20,721

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	55	58	56	59	111	117
Other USG	36	32	43	43	79	75
Total USG	91	90	99	102	190	192

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing Facilities	73	50
Proposed facility	90	61
Difference	17	11

Narrative Description:

Caracas is a post with significant potential security threats. The current Chancery and Chancery Annex cannot be made sufficiently secure due to their proximity to the street. The setback of the two buildings is no more than 30 feet from the property line. In addition, the 20 year old buildings were thoroughly inspected in 1981 and were found to have serious structural deficiencies. The study found that both buildings were constructed below seismic standards and there was evidence of damage from a 1974 earthquake. Therefore, the buildings could collapse during an earthquake and would undoubtedly collapse during a vehicular bombing. The possibility of extensive damage and loss of life from another earthquake or vehicular bombing is extremely high.

Funds were approved for development in FY-84 ($1,300,000) and construction in 1986 ($22,970,000). The department intended to design and construct a 90,000 square foot Chancery between the existing Chancery and Chancery Annex. However, the proposed building would not meet setback criteria. To meet this criteria, the building will have to be constructed on a 10 acre site to be acquired. It is estimated the site will cost approximateley $10 million. In addition, the original design estimates have now increased due to additional security requirements.

Venezuela, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY-86	FY-87	FY-88	FY-89	FY-90	Total Funds Required
Projects:								
Site Acquisition		$ 6,870	$10,000					$16,870
Development		1,300	706					2,006
Construction		16,000	4,771					20,771
Special Construction			5,244					5,244
One Time Costs:								
Supervision		--	450	$ 420	$400			1,270
Furniture/Furnishings								
Initial				2,560				2,560
Recycled				-245				-245
Net Furniture Costs				2,315				2,315
TOTAL PROJECT COSTS		24,170	21,171	2,735	400			48,476
Less: Funds Provided To Date								-24,170
Less: Outyear Funding Requirements								-3,585
TOTAL FUNDS REQUIRED								20,721

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	GUYANA, Georgetown	Total: $ 4,307

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	23	23	35	35	58	58
Other USG	3	4	7	9	10	13
Total USG	26	27	42	44	68	71

	Project Area	
	Gross square feet	Net Usable
	(In Thousands)	
Existing Facility	33	24
Proposed Facility	40	27
Difference	7	3

Narrative Description:

Georgetown is faced with significant potential security threats. The present Chancery is located in a U.S. Government-owned, run-down, three story building. The building was acquired in 1948, is estimated to be over 100 years old, and is wood rot and termite infested. In addition, the present Chancery's rear property line is adjacent to Georgetown's worst slum area - Tiger Bay. Space within the building is poorly arranged and crowded, and the condition of the building constitutes a very serious fire/life safety threat. The Consular Section is located in a separate, Government-owned building one block away. USIA leases a wooden building approximately 1/4 mile from the Chancery. There are no buildings available for lease in Georgetown which meet current security requirements.

Funds were approved in FY-84 for development ($700,000) and in FY-86 for construction ($10,449,000). The construction cost estimate has been revised to $14,756,000 due to the requirement for structural strengthening to meet current security standards. Therefore, additional funds are requested in FY-86 to cover this increase of $4,307,000 in security-related construction costs.

Acquisition and Maintenance of Buildings Abroad (Regular)

Guyana, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY-86	FY-87	FY-88	FY-89	FY-90	Total Funds Required
Projects:								
Site Acquisition								$
Development	11/83	$ 700						700
Construction	5/86	10,449	$4,307					14,756
One Time Costs:								
Supervision		619		$ 450	$200			819
Furniture/Furnishings								
Initial					1,114			1,114
Recycled								--
Net Furniture Costs					1,114			1,114
TOTAL PROJECT COSTS		11,318	4,307	450	1,314			17,389
Less: Funds Provided To Date								-11,318
Less: Outyear Funding Requirements								-1,764
TOTAL FUNDS REQUIRED 1986								4,307

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	JAMAICA, Kingston	Total: $ 53,628

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	58	60	100	106	158	166
Other USG	54	57	69	74	123	131
Total USG	112	117	169	180	281	297

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing Facility	92	73
Proposed Facility	175	117
Difference	83	44

Narrative Description:

Kingston is faced with significant potential security threats. The present facilities at our Embassy in Kingston do not meet the security standards because of its scattered location on portions of the first, third, fourth, fifth and sixth floors of an insecure short-term leased building. In addition, the Embassy shares the building with Jamaican commercial firms. In recent years, Embassy operations have been severely hampered by strikes and bomb threats. Consular operations are located on the first floor and basement levels of a separate, short-term leased building one block away from the Chancery. The Embassy motor pool and warehouse operations are located in three other buildings. In essence, Embassy operations are spread throughout Kingston.

The new Chancery will consolidate the offices of all U.S. Government personnel now located in various buildings in Kingston. Funds are requested for construction, for acquisition to enlarge the site, and for increased design costs. In 1979 the Department purchased the present 4-acre site. However, a 10-acre site is now required to meet the current setback standard and other security requirements. The cost of acquiring six additional acres adjacent to the present site will be approximately $2,000,000. The space requirement of 175,000 gross square feet includes the Chancery, a warehouse and garage/maintenance facilities. Costs for this project reflect current security requirements.

Acquisition and Maintenance of Buildings Abroad (Regular)

Jamaica, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY-86	FY-87	FY-88	FY-89	FY-90	
Projects:								
Site Acquisition	08/79	$ 557	$ 2,000					$ 2,557
Development	04/86	1,360	640					2,000
Construction	04/87			$31,060				31,060
Special Construction				11,868				11,868
One Time Costs:								
Supervision				400	$ 390	$ 370		1,160
SY/Commo Equipment					3,848			3,848
Furniture/Furnishings								
Initial					3,575			3,575
Recycled					-523			-523
Net Furniture Costs					3,052			3,052
TOTAL PROJECT COSTS		1,917	2,640	43,328	7,290	370		55,545
Less: Funds Provided To Date								-1,917
TOTAL FUNDS REQUIRED								53,628

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	BOLIVIA, La Paz	Total: $ 12,611

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	43	52	53	48	96	100
Other USG	40	41	39	39	79	80
Total USG	83	93	92	87	175	180

	Project Area Gross square feet (in thousands)	Net Usable
Existing facilities	48	41
Proposed facility	79	53
Difference	31	12

Narrative Description:

La Paz is faced with significant security threats of mob violence and terrorist attack. The current Chancery and Chancery Annex's are short-term leased facilities that cannot be made sufficiently secure since space is shared with Bolivian business concerns. Security is almost non-existent and the buildings are highly susceptible to acts of terrorism. The Chancery is located on six floors of a deplorable seven-story building that sits directly on the street. In addition, it suffers from substandard electrical wiring and inadequate plumbing. The two antiquated elevators are frequently out of service and there is a serious fire/life safety problem due to the lack of a fire escape on the upper floors. The Consular Annex, garage space, and other facilities are located in separate areas with similar undersireable conditions.

Originally, the Department intended to design and construct a 88,000 square foot Chancery on the site purchased in 1979 (the size has now decreased to 79,500 gross square feet). However, the purchased site did not meet the new security setback criteria, and other sites were not available. Therefore, the Department determined the site was acceptable if the building were redesigned to get 100' setbacks from the front and back property lines which are contiguous to streets. Residential property neighbors the site on both sides. This request is ($12,611,000) for the increased costs for redesign and construction to meet improved security standards.

Acquisition and Maintenance of Buildings Abroad (Regular)

Bolivia, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimate					Total Funds Required
			FY-86	FY-87	FY-88	FY-89	FY-90	
Projects:								
Site Acquisition	6/79	$ 1,393						$ 1,393
Development	11/84	1,468	$1,100					2,568
Construction		20,978	6,233					27,211
Special Construction			5,278					5,278
One Time Costs:								
Supervision			566	$ 400	$434			1,400
Furniture/Furnishings								
Initial				1,799				1,799
Recycled				-346				-346
Net Furniture Costs				1,453				1,453
TOTAL PROJECT COSTS		23,839	13,177	1,853	434			39,303
Less: Funds Provided To Date								-24,405
Less: Outyear Funding Requirements								-2,287
TOTAL FUNDS REQUIRED								12,611

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	CHILE, Santiago	Total: $ 44,556

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	42	51	53	55	95	106
Other USG	16	29	51	50	67	79
Total USG	58	80	104	105	162	185

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	63	52
Proposed facility	100	65
Difference	37	13

Narrative Description:

The Department considers Santiago a high threat post. The current Chancery cannot be made sufficiently secure because it occupies six floors of a commercial office building acquired in 1951. Due to increase in program requirements and personnel augmentation over the years, the Embassy was forced to short term lease the fourth and fifth floors, the roof, and parts of the basement. The building is located on the street and has no setbacks. Floors one through three are occupied by various business interests and are very vulnerable to any terrorist threat. In addition, part of the ground floor contains an indoor parking facility, making the entire building very susceptible to vehicular bombing. In addition, the Consular Section is located in an owned building several blocks from the Chancery. Existing facilities are extremely crowded. Square footage for existing facilities does not include space currently occupied in annexes.

Funds ($6,100,000) have been approved for site acquisition and development in the 1986 Capital Budget. Due to an accelerated building program, construction of this office building has been moved up to 1986. The overall cost of construction has increased to $37,713,000 because of revised security standards which have been incorporated into this project. Specific standards include: more stringent blast resistant walls, increased use of antiballistic construction materials, stronger and higher external perimeter walls and other barriers, electronic penetration deterrents, and emergency electrical power equipment. The total funds required for this project is $44,556,000.

Acquisition and Maintenance of Buildings Abroad (Regular)

Chile, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY-86	FY-87	FY-88	FY 89	FY-90	
Projects:								
Site Acquisition	10/85	$4,700						$ 4,700
Development	10/85	1,400						1,400
Construction			$31,020					31,020
Special Construction			6,693					6,693
One Time Costs:								
SY/Commo Equipment				$3,848				3,848
Supervision			450	420	$400			1,270
Furniture/Furnishings:								
Initial				2,025				2,[illegible]
Recycled				-300				-300
Net Furniture Costs				1,725				1,725
TOTAL PROJECT COSTS		6,100	38,163	5,993	400			50,656
Less: FY 1986 Regular Budget								-6,100
TOTAL FUNDS REQUIRED								44,556

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CHANCERY ANNEX	HONDURAS, Tegucigalpa	Total: $ 4,351

Post Profile:

Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	7	7	122	122	129	129
Other USG	65	65	--	--	65	65
Total USG	72	72	122	122	194	194

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	40	34
Proposed facilities	66	46
Difference	26	12

Narrative Description:

Our Embassy in Tegucigalpa has already been the target of terrorist activity. The present annex is a short-term leased building located across a major thoroughfare from the Chancery. The leased structure is a converted apartment building with serious security deficiencies and is seriously overcrowded. It is close to the street on a sloped grade, partially below street level.

Due to revised physical security standards, funds are requested to cover increased construction and sitework costs for a new annex which will include offices for 72 American and 122 Foreign Service National staff members of AID, USIA, the Consular Section and part of the Embassy's Administrative Section.

Acquisition and Maintenance of Buildings Abroad (Regular)

Honduras, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimate					Total Funds Required
			FY-86	FY-87	FY-88	FY-89	FY-90	
Projects:								
Site Acquisition								
Development								
Construction		$11,355	$4,351					$15,706
Subtotal								
One Time Costs:								
Supervision								
Furniture/Furnishings				$1,718				1,718
Initial								
Recycled								
Net Furniture Costs								
TOTAL PROJECT COSTS		11,355	4,351	1,718				17,424
Less: Funds Provided To Date								-11,355
Out Year Funding Requirements								-1,718
TOTAL FUNDS REQUIRED 1986								4,351

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Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	CYPRUS, Nicosia	Total: $ 4,580

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	26	30	23	28	45	58
Other USG	7	7	0	0	7	7
Total USG	33	37	23	28	56	65

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing Facility	34	28
Proposed facility	46	30
Difference	12	2

Narrative Description:

Our Embassy in Nicosia is faced with the potential threat of mob violence and terrorist attack. The current short term leased building cannot be made sufficiently secure and is structurally unsound. Funds ($12,140,000) have been approved for design and construction of a Chancery and Embassy Residence (OBC/EMR) in Nicosia. However, revised security requirements have increased the construction costs for this project by $4,580,000. Specific standards include: more stringent blast resistant walls, increased use of antiballistic construction materials, stronger and higher external perimeter walls and other barriers, electronic penetration deterrents, and emergency electrical power equipment.

Acquisition and Maintenance of Buildings Abroad (Regular)

Cyprus, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY-86	FY-87	FY-88	FY-89	FY-90	Total Funds Required
Projects:								
Site Acquisition								
Development	10/83	$ 1,040						$ 1,040
Construction		11,100	$1,613					12,713
Special Construction			2,967					2,967
One Time Costs:								
Supervision		195		$ 450	$ 400			1,045
Furniture/Furnishings								
Initial					1,020			1,020
Recycled					-102			-102
Net Furniture Costs					918			918
TOTAL PROJECT COSTS		12,335	4,580	450	1,318			18,683
Less: Funds Provided To Date								-12,335
Less: Outyear Funds Required								-1,768
TOTAL FUNDS REQUIRED 1986								4,580

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING ANNEX	SWITZERLAND, Geneva (START)	Total: $ 56,170

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	142	142	N/A	N/A	142	142
Other USG	38	38			38 -	38
Total USG	180	180			180	180

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	58	48
Proposed facilities	93	62
Difference	25	14

Narrative Description:

The critically sensitive arms negotiations now being conducted in Geneva must be made more secure. The current short-term leased building acquired in 1980 and occupied by the U.S. Arms Control and Disarmmament Agency (ACDA) has two serious dificiencies. First, the building is bordered on two sides by sidewalks and does not have the required security setbacks, and secondly, it shares a common wall with other commercial highrise buildings and is very vulnerable to technical penetration by hostile intelligence efforts. These security deficiencies cannot be corrected in the present building.

The current site of the U.S. Mission to Geneva contains sufficient land to build a new 93,000 sq. ft. annex building for the 180 American personnel assigned to the the highly sensitive arms control negotiations.

Other factors mandating a new facility for ACDA are building's lack of proper Fire/Safety safeguards and overall structural condition.

Acquisition and Maintenance of Buildings Abroad (Regular)

Geneva (START), Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY-86	FY-87	FY-88	FY-89	FY-90	
Projects:								
Site Acquisition		--						
Development		--	$ 3,450					$ 3,450
Construction		--	29,546					29,546
Special Construction			6,693					6,693
One Time Costs:								
OC/SY		--		$6,706				6,706
Supervision		--	3,600	3,668				7,268
Furniture/Furnishings		--		2,507				2,507
TOTAL PROJECT COSTS		--	43,289	12,881				56,170

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CONGEN COMPOUND	TURKEY, Istanbul	Total: $ 18,925

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	38	40	40	55	78	95
Other USG	27	29	25	32	52	61
USG	65	69	65	87	130	156

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing Facility	42	38
Proposed facility	86	65
Difference	44	27

Narrative Description:

Istanbul is a high threat post. In its present location the Consulate Office Building (COB) cannot be adequately secured and is susceptible to terrorism and forced entry. The present COB site which was purchased in 1907 is less than one-half acre. Although the building is protected by a perimeter walled fence; it is vulnerable to physical threat and penetration efforts from the surrounding buildings one of which is a hotel. In addition, the building does not meet the current setback requirement. It fronts on a main thoroughfare and the annex is on the property line with one entrance directly on the sidewalk.

Funds were approved for site acquisition and design in the 1986 Capital Budget. Because of severe security problems at this post, $18,925,000 is requested in this supplemental for acquisition of an eight acre site and a portion of the funds needed for construction of this new compound. To comply with the security standards established it is necessary to relocate the compound. Existing facility does not include space occupied in annexes The proposed office building replaces a complex of 5 buildings which house the Office Annex, Consular and General Services operations, Medical Unit, Commissary and Marine Guard Residence.

Acquisition and Maintenance of Buildings Abroad (Regular)

Istanbul, Turkey, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY 86	FY 87	FY 88	FY 89	FY 90	Total Funds Required
Projects:								
Site Acquisition	10/85	$ 350	$12,650					$13,000
Development	10/85	910						910
Construction			5,885	$8,675	$6,248			20,808
Special Construction				5,727				5,727
One Time Costs:								
Supervision			390	380	370			1,140
SY/Commo Equipment					4,142			4,142
Furniture/Furnishings								
Initial					1,340			1,340
Recycled					-1,100			-1,100
Net Furniture Costs					240			240
TOTAL PROJECT COSTS		1,260	18,925	14,782	11,000			45,967
Less: Funds Provided To Date								-1,260
Outyear Funding Requirements								-25,782
TOTAL FUNDS REQUIRED 1986								18,925

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CONSULATE OFFICE BUILDING	TURKEY, Izmir	Total: $ 12,325

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	5	5	12	12	17	17
Other USG	2	2	5	5	7	7
Total USG	7	7	17	17	24	24

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing Facility	7	5
Proposed facility	14	10
Difference	7	5

Narrative Description:

Izmir is a high threat post. The present COB in Izmir occupies one floor of an office building situated between two very busy thoroughfares downtown on the waterfront. This building is open to the public and very difficult to secure. It is accesable from the sidewalk and control of public traffic is practically impossible. The space was occupied on a short term lease in 1982. To comply with the required security modifications and accessability we are proposing to acquire a 2 acre site for a one story consulate building. Izmir is a good size industrial port city with a sizeable American presence (military and civilian). There is little that can be done to improve the security of the working premises in their present location.

Funds were approved for site acquisition and design in the 1986 Capital Budget. Because of severe security problems at this post, funding is requested in this supplemental for construction of new COB. Overall construction estimates include costs for improved security requirements such as: more stringent blast resistant standards; increased use of antiballistic construction materials; stronger and higher external perimeter walls and other barriers; electronic penetration deterrents; and, emergency electrical power equipment which have been incorporated into this construction project.

Acquisition and Maintenance of Buildings Abroad (Regular)

Izmir, Turkey, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-86	FY-87	FY-88	FY-89	FY-90	Total Funds Required
Projects:								
Site Acquisition		$100	$1,000					$1,100
Development		765						765
Construction				$6,440				6,440
Special Construction				759				759
One Time Costs:								
Supervision				220	$210	$200		630
SY/Commo Equipment					3,286			3,286
Furniture/Furnishings								
Initial					1,110			1,110
Recycled					-900			-900
Net Furniture Costs					210			210
TOTAL PROJECT COSTS		865	1,000	7,419	3,706	200		13,190
Less: Funds Provided To Date								-865
TOTAL FUNDS REQUIRED								12,325

FBO/SY-34

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	UNITED KINGDOM, London	Total: $ 20,000

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	N/A	N/A	N/A	N/A	N/A	N/A
Other USG						
Total USG						

	Project Area (in thousands)	
	Gross square feet	Net Usable
Existing facilities	N/A	N/A
Proposed facilities		
Difference		

Narrative Description:

The requested funds are needed to protect our communications and security facilities from technical penetration efforts by hostile intelligence sources. These special upgrades involve approximately 25% of the Chancery Building to meet mandated requirements.

Acquisition and Maintenance of Buildings Abroad (Regular)

London, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-86	FY-87	FY-88	FY-89	FY-90	Total Funds Required
Projects:								
Site Acquisition								
Development								
Construction								
One Time Costs:								
Special; OC/SY			$17,412					$17,412
Supervision			862	$862	$864			2,588
Furniture/Furnishings								
TOTAL PROJECT COSTS			18,274	862	864			20,000

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
EMBASSY COMPOUND	JORDAN, Amman	Total: $ 24,901

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	39	39	56	56	95	95
Other USG	49	49	61	61	110	110
Total USG	88	88	117	117	205	205

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	36	30
Proposed facilities	71	48
Difference	35	18

Narrative Description:

The Amman Embassy Compound project is one of the ten construction projects included in the 1985 Security Supplemental. Amman is faced with serious threats of terrorist attack and mob violence. Funds are requested in this supplemental for the increased costs attributed to the application of revised physical security standards and practices developed since the submission of that Supplemental. Many of these new standards and practices were based on detailed studies of the recent bombing incidents against our facilities in the Middle East.

This project includes funds for constructing a chancery, ambassador's residence and MSG residence. Funds ($4,400,000) were reprogrammed from the 1984 Security Supplemental to acquire a site and design those facilities. The current chancery is inadequate in size and surrounded by major, heavily-travelled streets which cannot be defended against the potential threat of a vehicle bomb such as that which destroyed our Chancery in Beirut. There is very real potential for terrorism at this post. Funds ($15,453,000) were approved in the FY 1985 Security Supplemental for construction. However, increased funding of $24,901,000 is required for: purchase of a larger (14 acre site) ($7,000,000) to provide space for a Marine Security Guard Residence; General Services Annex and a recreation facility; increased development costs ($1,665,000); and, construction costs ($16,236,000) to incorporate improved security features.

The new building will house the USIS and USAID offices (14,800 sq. ft.) now located in short-term leased properties.

Acquisition and Maintenance of Buildings Abroad (Regular)

Jordan, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY-86	FY-87	FY-88	FY-89	FY-90	Total Funds Required
Projects:								
Site Acquisition		$ 4,400	$ 7,000					$11,400
Development			1,665					1,665
Construction		15,453	10,270					25,723
Special Construction			5,966					5,966
One Time Costs:								
Supervision								
Furniture/Furnishings					$2,500			2,500
Initial								
Recycled								
Net Furniture Costs								
TOTAL PROJECT COSTS		19,853	24,901		2,500			47,254
Less: Funds Provided To Date								-19,853
Out Year Funding Requirements								-2,500
TOTAL FUNDS REQUIRED 1986								24,901

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	BANGLADESH, Dhaka	Total: $ 5,651

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	31	31	33	33	64	64
Other USG	56	56	82	82	138	138
Total USG	87	87	115	115	202	202

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	28	24
Proposed facilities	75	50
Difference	47	26

Narrative Description:

The Dhaka Chancery project is one of the ten construction projects included in the 1985 Security Supplemental. The Embassy in Dhaka is considered a high threat. Funds are requested in this supplemental for the increased costs attributed to the application of revised physical security standards and practices developed since the submission of that Supplemental. Many of these new standards and practices were based on detailed studies of the recent bombing incidents against our facilities in the Middle East.

This project provides funds for constructing a new chancery to replace a facility which is structurally unsound, has minimal life and safety features (particularly fire prevention capability) and affords little security protection. The proposal also calls for co-location of a new MSG residence to replace the current residence situated too far away to afford timely support to the chancery. Original construction cost estimates ($11,355,000) have increased by $5,651,000 because of security upgrades and co-location of other agencies including USAID and USIS operations presently housed in two short-term leased properties occupying a total of 25,000 sq. ft.

Acquisition and Maintenance of Buildings Abroad (Regular)

Bangladesh, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY-86	Estimate FY-87	Estimate FY-88	Estimate FY-89	Estimate FY-90	Total Funds Required
Projects:								
Site Acquisition		$ 632						$ 632
Development		800						800
Construction		11,355	$5,651					17,006
One Time Costs:								
Supervision								
Furniture/Furnishings				$1,674				1,674
Initial								
Recycled								
Net Furniture Costs								
TOTAL PROJECT COSTS		12,787	5,651	1,674				20,112
Less: Funds Provided To Date								-12,787
Out Year Funding Requirements								-1,674
TOTAL FUNDS REQUIRED 1986								5,651

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	QATAR, Doha	Total: $ 6,358

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	7	8	9	9	16	17
Other USG	1	4	4	5	5	9
Total USG	8	12	13	14	21	26

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	8	5
Proposed facilities	20	15
Difference	12	10

Narrative Description:

Funds ($10,530,000) were included in the FY 1985 Security Supplemental for a new office building on a site in the Diplomatic enclave. The Embassy in Doha is faced with substantial security threats. The present Chancery occupies a house in a residential area with an annex located in another adjacent house. These two buildings comprise approximately 8,300 gross sq. ft. with absolutely no room for expansion.

Funds ($6,358,000) are requested in this supplemental for the increased costs attributed to the application of revised physical security standards and practices developed since the submission of the 1985 Supplemental. Many of these new standards and practices were based on detailed studies of the recent bombing incidents against our facilities in the Middle East.

The site for our new Chancery in Doha is in a prime location, approximately one acre and across the street from a site offered us for a new Embassy Residence. The new office building has been designed to alleviate overcrowded conditions in the present short-term leased property. The new facility will accommodate an increased complement of 5 State and other USG agency personnel. The additional space of 10,000 sq. ft. is required to house the expanded embassy.

Acquisition and Maintenance of Buildings Abroad (Regular)

Doha, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY-86	FY-87	FY-88	FY-89	FY-90	Total Funds Required
Projects:								
Site Acquisition								
Development			$ 400					$ 400
Construction		$10,530	4,095					14,625
Special Construction			1,863					1,863
One Time Costs:								
Administrative costs								
Commo & SY. Equip								
Furniture & Furnishings				686				686
TOTAL PROJECT COSTS		10,530	6,358	686				17,574
Less: Funds Provided To Date								-10,530
Out Year Funding Requirements								-686
TOTAL FUNDS REQUIRED 1986								6,358

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	KUWAIT, Kuwait	Total: $ 6,002

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	35	35	32	32	67	67
Other USG	7	7	15	15	22	22
Total USG	42	42	47	47	89	89

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	71	41
Proposed facilities	81	51
Difference	10	10

Narrative Description:

The vulnerability of the existing compound in Kuwait was tragically demonstrated by the December, 1983 vehicle bombing. The owner of the long-term leased Embassy compound desires to have the property returned to him for real estate development. Consequently, the owner has resisted overtures to repair damage resulting from the bomb or to make security upgrades, leaving the mission in an exposed position.

Funds ($6,002,000) are requested in this supplemental for the increased costs attributed to the application of revised physical security standards which include: more stringent blast resistant walls; increased use of antiballistic construction materials; stronger and higher external perimeter walls and other barriers; electronic penetration deterrents; and, emergency electrical power equipment.

Space in existing facility does not include annexes that will be consolidated into planned compound.

Acquisition and Maintenance of Buildings Abroad (Regular)

Kuwait, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimate					Total Funds Required
			FY-86	FY-87	FY-88	FY-89	FY-90	
Projects:								
Site Acquisition								
Development								
Construction		$30,140	$1,924					$32,064
Special Construction			4,078					4,078
One Time Costs:								
Supervision								
Furniture/Furnishings				$1,674				1,674
Initial								
Recycled								
Net Furniture Costs								
TOTAL PROJECT COSTS		30,140	6,002	1,674				37,816
Less: Funds Provided To Date								-30,140
Out Year Funding Requirements								-1,674
TOTAL FUNDS REQUIRED 1986								6,002

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	BAHRAIN, Manama	Total: $ 2,212

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	11	18	18	19	29	37
Other USG	14	14	35	35	49	49
Total USG	25	32	53	54	78	86

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	21	14
Proposed facilities	43	29
Difference	22	15

Narrative Description:

The Embassy in Manama is faced with a severe threat of terrorist attack. Currently, the Embassy leases office space in a remodeled residential villa and ancillary structures located in a residential area of the city at the end of a narrow road with entry to the compound through one main gate. The configuration of the buildings makes security very difficult, and less than minimal standards are being met. There are no other suitable buildings for rent in the city.

Funding for site acquisition and design of the Manama Chancery Project were originally provided in 1981. Funds ($12,571,000) for construction were included in the 1985 Security Supplemental Additional funding of $2,212,000 is necessary owing to increased construction requirements for security features. In addition, the present office space is insufficient to accomodate the present staff.

The Federal Broadcast Information Service (FBIS) offices (3,800 sq. ft.) and USIA Library (4,000 sq. ft.) will move from current short-term leased property to the new building. The Marine Guard Residence of 7,000 sq. ft. is included in the projected space requirements. Also, the post expects to increase the staff by the addition of the Regional Communications office now located in Karachi and several newly established positions.

Acquisition and Maintenance of Buildings Abroad (Regular)

Manama, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY-86	FY-87	FY-88	FY-89	FY-90	Total Funds Required
Projects:								
Site Acquisition		$469						$ 469
Development		359						359
Construction		12,571	$2,212					14,783
One Time Costs:								
Administrative costs								
Commo & SY Equip								
Furniture & Furnishings		898						898
TOTAL PROJECT COSTS		14,297	2,212					16,509
Less: Funds Provided to Date								-14,297
TOTAL FUNDS REQUIRED 1986								2,212

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Cost
EMBASSY COMPOUND	OMAN, Muscat	Total: $ 681

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	19	19	14	17	33	36
Other USG	18	22	7	10	25	32
Total USG	37	41	21	27	58	68

	Project Area (in thousands)	
	Gross square feet	Net Usable
Existing facilities	34	19
Proposed facilities	99	60
Difference	65	41

Narrative Description:

The current facilities in Muscat are crowded and vulnerable to the very real possibility of terrorist attack. The Muscat Embassy Compound project is one of the ten construction projects included in the 1985 Security Supplemental. Funds ($29,163,000) were provided for constructing a new Chancery, Ambassador's Residence and a warehouse. Additional funding of $681,000 is necessary because of increased construction requirements for security features. Funding for site acquisition and design were provided in 1981.

The new building will include Embassy and USIA operations that are currently housed in leased properties and an expanded personnel complement.

Acquisition and Maintenance of Buildings Abroad (Regular)

Oman, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY-86	FY-87	FY-88	FY-89	FY-90	Total Funds Required
Projects:								
Site Acquisition		$ 761						$ 761
Development		1,076						1,076
Construction		29,163	$ 681					29,844
Subtotal								
One Time Costs:								
Supervision								
Furniture/Furnishings					$1,594			1,594
Initial								
Recycled								
Net Furniture Costs								
TOTAL PROJECT COSTS		31,000	681		1,594			33,275
Less: Funds Provided To Date								-31,000
Out Year Funding Requirements								-1,594
TOTAL FUNDS REQUIRED 1986								681

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	YEMEN, Sanaa	Total: $ 8,556

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	35	35	40	40	75	75
Other USG	55	55	64	64	119	119
Total USG	90	90	104	104	194	194

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	48	29
Proposed facilities	38	24
Difference	-10	-5

Narrative Description:

The Embassy in Sanaa is faced with a severe threat of terrorist attack. The current combined chancery and ambassador's residence are are vulnerable to mob attack and vehicle bombs. In addition, the mud and brick composition of the building will not allow for proper installation of security equipment.

Funds ($3,100,000) were reprogrammed from the 1984 Security Supplemental to acquire a site and design plans for these facilities. The 1985 Security Supplemental provided funds ($19,061,000) for constructing a new Chancery, Ambassador's residence and MSG residence. This supplemental requests $8,556,000 for necessary construction requirements for security features and additional costs attributed to co-location needs of other agencies.

Acquisition and Maintenance of Buildings Abroad (Regular)

Yemen, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY-86	FY-87	FY-88	FY-89	FY-90	Total Funds Required
Projects:								
Site Acquisition		$2,600						$ 2,600
Development		500	$1,200					1,700
Construction		19,061	5,493					24,554
Special Construction			1,863					1,863
One Time Costs:								
Supervision								
Furniture/Furnishings					$494			494
Initial								
Recycled								
Net Furniture Costs								
TOTAL PROJECT COSTS		22,161	8,556		494			31,211
Less: Funds Provided To Date								-22,161
Out Year Funding Requirements								-494
TOTAL FUNDS REQUIRED 1986								8,556

FBO/SY-50

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1986 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CHANCERY COMPOUND	TUNISIA, Tunis	Total: $ 30,200

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	61	64	80	80	141	144
Other USG	43	45	63	68	106	113
Total USG	104	109	143	148	247	257

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing facilities	57	47
Proposed facilities	90	60
Difference	33	13

Narrative Description:

The Embassy in Tunis is faced with a significant threat of terrorist violence. The present U.S. Government-owned 1.7 acre chancery compound, formally a residential property, is unsuitable due to constant growth of mission operations resulting in a crowded, poorly configured cluster of buildings and consequently, the Embassy is vulnerable to mob and car bomb attack. In addition, adequate setback protection from public streets is not possible.

Funds ($3,130,000) were approved for site acquisition and design of a new chancery compound for Tunis in the 1986 Capital Budget. With the recent terrorist incidents directed against our facilities in the Middle East, revised physical security standards have been developed which have increased the overall costs of building construction. Funds ($30,200,000) are requested for completion of a new chancery compound in Tunis.

The new building will house the USIA operations (10,000 sq. ft.) currently located in leased property.

Acquisition and Maintenance of Buildings Abroad (Regular)

Tunisia, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-86	FY-87	FY-88	FY-89	FY-90	Total Funds Required
Projects:								
Site Acquisition	12/85	$2,000						$ 2,000
Development	1/86	1,130						1,130
Construction	4/87		$19,166					19,166
Special Construction			2,967					2,967
One Time Costs:								
Supervision			500	$ 480	$ 450			1,430
SY/Commo Equipment				4,142				4,142
Furniture/Furnishings								
Initial					2,645			2,645
Recycled					-150			-150
Net Furniture Costs					2,495			2,495
TOTAL PROJECT COSTS		3,130	22,633	4,622	2,945			33,330
Less: Funds Provided To Date								-3,130
TOTAL FUNDS REQUIRED								30,200

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	IVORY COAST, Abidjan	Total: $ 37,509

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	53	53	56	56	109	109
Other USG	14	22	9	22	23	44
Total USG	67	75	65	78	132	153

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	42	27
Proposed facility	76	50
Difference	34	23

Narrative Description:

The present Short-Term Leased Chancery in Abidjan is located on a main street in the center of town and is surrounded by high rise apartment and office buildings. Due to its original design as a duplex apartment complex, it is impossible to travel from one side of the Embassy to the other without taking a small elevator, or the stairs, to the cramped lobby level where one then crosses over to another part of the office building. Much of the interior space is wasted. The building is situated next to the sidewalk with no setback from the street thereby making perimeter defense impossible. The combination of impossible space layout, surrounding tall buildings, and no means of creating a perimeter defense, makes this property totally undesireable.

Funds ($1,560,000) were approved in the 1986 Capital Budget for site acquisition and development of a new chancery compound for Abidjan. This supplemental requests funds ($37,509,000) to construct a secure and adequate Chancery which will incorporate setback requirements and revised security standards. The square footage for existing facilities does not include space currently occupied in short-term leased annexes.

FBO/SY-53

Acquisition and Maintenance of Buildings Abroad (Regular)

Ivory Coast Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY 87	FY 88	FY 89	FY 90	FY 91	Total Required
Projects:								
Site Acquisition	10/85	$ 750						$ 750
Development	10/85	810						810
Construction	10/86		$23,971					23,971
Special Construction			6,210					6,210
One Time Costs:								
Supervision			500	$490	$480			1,470
SY/Commo Equipment				3,848				3,848
Furniture/Furnishings								
Initial				2,870				2,870
Recycled				-860				-860
Net Furniture Costs				2,010				2,010
TOTAL PROJECT COSTS		1,560	30,681	6,348	480			39,069
Less: FY 1986 Regular Budget Request								-1,560
TOTAL FUNDS REQUIRED								37,509

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Cost
OFFICE BUILDING CHANCERY	UGANDA, Kampala	Total: $ 28,912

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	14	14	10	10	24	24
Other USG	8	8	8	8	16	16
Total USG	22	22	18	18	40	40

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing facilities	17	11
Proposed facilities	20	13
Difference	3	2

Narrative Description:

The current short-term leased Chancery is located in the rear of the British High Commission building. This location is vulnerable to terrorist attack by mob violence or vehicle bomb.

In addition to security considerations, the current quarters are impossibly small. The post uses five other office locations which result in inefficient operations. Further, the British have requested that we move as soon as possible. The building is in poor condition and it is a fire risk.

Acquisition and Maintenance of Buildings Abroad (Regular)

Kampala, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimate					Total Funds Required
			FY-87	FY-88	FY-89	FY-90	FY-91	
Projects:								
Site Acquisition			$10,000	-				$10,000
Development			293					293
Construction				$10,353				10,353
Special Construction				300				300
One Time Costs:								
Supervision				1,500	$1,500	$741		3,741
Furniture/Furnishings					1,150			1,150
Commo & SY					3,075			3,075
TOTAL PROJECT COSTS			10,293	12,153	5,725	741		28,912

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	**Location**	**Funds**
OFFICE BUILDING CHANCERY	SOUTH AFRICA, Pretoria	Total: $ 33,298

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	51	51	54	54	105	105
Other USG	15	15	10	10	25	25
Total USG	66	66	64	64	130	130

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing facilities	60	39
Proposed facilities	65	44
Difference	5	5

Narrative Description:

The current short-term leased quarters are co-located with the South African police in a large commercial building in downtown Pretoria. Because of the threat of continuing violence, this location significantly increases the terrorist threats of mob action and bombing attempts. Given the current political climate, the Embassy has difficulty instituting necessary security measures. The building is also rated a high fire risk.

The new Chancery will be built on a 5 acre site which will meet security setback requirements and located in a less dangerous area. The USG already owns the Embassy Residence and the Marine Security Guard residence in Pretoria. A reprogramming letter was sent to Committee Chairmen on January 21, 1986 notifying Congress of our intent to reprogram funds ($2,100,000) to exercise the option to purcase the site for the new Chancery in Pretoria.

Acquisition and Maintenance of Buildings Abroad (Regular)

Pretoria, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimate					Total Funds Required
			FY-86	FY-87	FY-88	FY-89	FY-90	
Projects:								
Site Acquisition		$ 87	$2,100					$ 2,187
Development		750	--					750
Construction			--	$16,744				16,744
Special Construction				4,278				4,278
One Time Costs:								
Supervision				1,008	$1,800	$1,500		4,308
Furniture/Furnishings					1,440			1,440
Commo & SY					4,428			4,428
SUBTOTAL PROJECT COSTS		837	2,100	22,030	7,668	1,500		34,135
Less: Funding Provided To Date								-837
TOTAL FUNDS REQUIRED								33,298

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	**Location**	**Funds**
OFFICE BUILDING CHANCERY	CAMEROON, Yaounde	Total: $ 29,355

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	32	32	38	38	70	70
Other USG	13	13	8	8	21	21
Total USG	45	45	46	46	91	91

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	43	28
Proposed facilities	45	30
Difference	2	2

Narrative Description:

The current short-term leased chancery is in a central location, directly on the street, and cannot be made sufficiently secure. The building is also too small, needs major repairs and is a high fire risk. The Embassy leases additional properties to handle increased space requirements.

The new office building chancery will meet revised security standards including setback requirements and comprise 45,000 sq.ft. of office space for 91 employees consisting of 45 Americans and 46 Foreign Service National staff.

Acquisition and Maintenance of Buildings Abroad (Regular)

Yaounde, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimate					Total Funds Required
			FY-87	FY-88	FY-89	FY-90	FY-91	
Projects:								
Site Acquisition			$5,000					$5,000
Development			938					938
Construction				$15,553				15,553
Special Construction				300				300
One Time Costs:								
Supervision				1,500	$1,500	$798		3,798
Furniture/Furnishings					384			384
Commo & SY					3,382			3,382
TOTAL PROJECT COSTS			5,938	17,353	5,266	798		29,355

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	COLOMBIA, Bogota	Total: $ 57,589

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	62	62	87	87	149	149
Other USG	53	53	59	59	112	112
Total USG	115	115	146	146	261	261

	Project Area Gross square feet	 Net Usable
	(in thousands)	
Existing facilities	63	42
Proposed facility	85	55
Differences	22	13

Narrative Description:

Bogota is one of the most high risk posts in the the world. Despite efforts to make the Chancery more secure, it is still vulnerable to terrorist actions. Because of the continuing high threat levels at post all other agencies and Embassy sections located in short term leased space in the high rise across the street were moved back into the Chancery. As a consequence, the Chancery is extremely overcrowded.

To meet new security requirements, including a more adequate setback, and to alleviate the terrible overcrowding at post, the Department intends to construct a 85,000 gross square foot Chancery.

Acquisition and Maintenance of Buildings Abroad (Regular)

Bogota, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-87	FY-88	FY-89	FY-90	FY-91	Total Funds Required
Projects:								
Site Acquisition			$6,941					$6,941
Development			2,197					2,197
Construction				$28,359				28,359
Special Construction				5,658				5,658
One Time Costs:								
Administration				3,000	$2,750	$1,701		7,451
OC/SY Costs					4,428			4,428
Furniture/Furnishings Initial					2,555			2,555
TOTAL PROJECT COSTS			9,138	37,017	9,733	1,701		57,589

FBO/SY-62

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	PERU, Lima	Total : $ 68,640

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	52	52	71	71	123	123
Other USG	56	56	46	46	102	102
Total USG	108	108	117	117	225	225

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	125	88
Proposed facility	120	80
Difference	5	8

Narrative Description:

The Embassy is Lima is faced with a severe threat of terrorist attack and mob violence. The present overcrowded Chancery is located in an insecure building in congested downtown Lima with setbacks of less that ten feet. In order to meet minimal security requirements several sections of the Embassy have been relocated to a multiple occupancy commercial office building several blocks from the Chancery.

Therefore, in order to consolidate the Embassy in one secure location, the Department intends to construct a 120,000 gross square foot Chancery away from the central downtown area for the staff members of all agencies.

Acquisition and Maintenance of Buildings Abroad (Regular)

Lima, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-87	FY-88	FY-89	FY-90	FY-91	Total Funds Required
Projects:								
Site Acquisition			$12,000					$12,000
Development			1,790					1,790
Construction				$31,100				31,100
Special Construction				8,073				8,073
One Time Costs:								
Supervision				3,000	$3,000	$2,881		8,881
OC/SY Costs					3,881			3,881
Furniture/Furnishings Initial					2,915			2,915
TOTAL PROJECT COSTS			13,790	42,173	9,796	2,881		68,640

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CONSULATE	THAILAND, Chiang Mai	Total: $ 21,179

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	12	14	12	12	24	26
Other USG	22	22	10	10	32	32
Total USG	34	36	22	22	56	58

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing facilities	24	19
Proposed facilities	29	22
Difference	5	3

Narrative Description:

The Consulate in Chiang Mai is very vulnerable to mob attacks and terrorist bombing attempts. The current USG offices do not meet the minimum security standards. The offices are currently housed in four commercial office buildings scattered throughout the city of Chiang Mai. These buildings front major streets and are located in a heavily congested part of the city. USG representation is Chiang Mai consists of the State Department, a large Drug Enforcement contingent as well as representatives from the Department of Agriculture, USIA, and AID.

Funds are requested to construct a Consulate Office building of 29,000 gross sq. ft. and house the 58 employees (36 Americans and 22 FSNs) in one facility. A site to accommodate our requirements is being sought.

FBO/SY-65

Acquisition and Maintenance of Buildings Abroad (Regular)

Chiang Mai, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-87	FY-88	FY-89	FY-90	FY-91	Total Funds Required
Projects:								
Site Acquisition		--	$2,300					$2,300
Development		--	649					649
Construction				$12,275				12,275
Special Construction				300				300
One Time Costs:								
Supervision				1,370	$1,370			2,740
Commo & SY Equip				1,535				1,535
Furniture & Furnishings					1,380			1.380
TOTAL PROJECT COSTS			2,949	15,480	2,750			21,179

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	TOKYO, Japan	Total: $ 17,131

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	N/A	N/A	N/A	N/A	N/A	N/A
Other USG						
Total USG						

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	N/A	N/A
Proposed facilities		
Difference		

The requested funds are needed to protect our communications and security facilities from technical penetration efforts by hostile intelligence sources. These special upgrades involve approximately 25% of the Chancery Building to meet mandated requirements.

Acquisition and Maintenance of Buildings Abroad (Regular)

Tokyo, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimate					Total Funds Required
			FY-87	FY-88	FY-89	FY-90	FY-91	
Projects:								
Site Acquisition			$					$
Development								
Construction			17,131					17,131
One Time Costs:								
Administrative costs								
Commo & SY Equip								
Furniture & Furnishings								
TOTAL PROJECT COSTS			17,131					17,131

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CHANCERY COMPOUND	TURKEY, Ankara	Total: $ 46,421

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	63	63	73	73	136	136
Other USG	55	55	50	50	105	105
Total USG	118	118	123	123	241	241

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing Facility	121	110
Proposed facility	129	112
Difference	8	2

Narrative Description:

Ankara is a post highly threatened by terrorist actions. In its present location the Embassy cannot be adequately secured and is susceptible to terrorism and forced entry. Funds have been approved for site acquisition and development in the FY-86 Capital Budget. At that time construction costs were estimated at $26,220,000 and construction was to have begun in FY-88. Due to the severe threat level at this post, construction for this office building is now scheduled for FY-87. New security requirements have increased the overall costs of this construction project.

The Embassy Compound, which consists of the Chancery and the MSG residence, cannot be made sufficiently secure due to its proximity to the street. The Chancery is located on a 3.92 acre site and the setback of the two buildings is no more than 50 feet from the property line. The Embassy Compound is small and inadequate compared to facilities at posts of similar or even smaller size and importance elsewhere. Current times, dictated by the present worldwide unstable terrorist activity, necessitate the re-evaluation of the security aspect of our mission in Turkey. To comply with the required security measures, it is necessary to relocate the compound. Our present projection is to relocate to a 15 acre site that will house the Chancery, providing us with improved working space and manageable security conditions. Marine Guards' quarters and a maintenace/warehouse structure (to take care of the security and operational needs of our mission) will also be erected on the site.

Acquisition and Maintenance of Buildings Abroad (Regular)

Ankara, Turkey, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Site Acquisition	10/85	$ 400	$ 2,600					$ 3,000
Development		1,625						1,625
Construction			29,252					29,252
Special Construction			8,894					8,894
One Time Costs:								
Supervision			420	$ 390	$ 380			1,190
Commo & SY Equip				4,142				4,142
Furniture/Furnishings								
Initial					3,628			3,628
Recycled					-3,285			-3,285
Net Furniture Costs					343			343
TOTAL PROJECT COSTS		2,025	41,166	4,532	723			48,446
Less: Funding Provided to Date								-2,025
Total Funds Required								46,421

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Cost
COMPOUND SITE	GREECE, Athens	Total: $ 10,000

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	N/A	N/A	N/A	N/A	N/A	N/A
Other USG						
Total USG						

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing Facility	N/A	N/A
Proposed facility		
Difference		

Narrative Description:

Athens is a post which has significant security problems. To protect our American employees from terrorist or mob actions, a 100 foot setback is required for our Embassy there. The area behind the Chancery in Athens is presently used as 1) an employee parking lot, 2) an embassy gas station, 3) a repair/garage facility and 4) two embassy warehouses. This land totals approximately 3.5 acres and is owned by the Greek Army Pension Fund. The owners want to sell the property, but have been hampered by legal matters as the area was given to the original AID/JUSMAAG Mission under the Marshall Plan to use during their tenure in Greece. It subsequently was taken over by the Embassy.

The issue of building a hotel on this property has been raised during the past three years. This would compromise the security posture of the Embassy. The Department and the Embassy concur it is desirable to purchase the property to avoid a potential security problem.

Acquisition and Maintenance of Buildings Abroad (Regular)

Athens, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY-87	Estimate FY-88	Estimate FY-89	Estimate FY-90	Estimate FY-91	Total Funds Required
Projects:								
Site Acquisition			$10,000					$10,000
Development								
Construction								
One Time Costs:								
Supervision								
Furniture/Furnishings								
Initial								
Recycled								
Net Furniture Costs								
TOTAL PROJECT COSTS			10,000					10,000

FBO/SY-72

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	GERMAN DEMOCRATIC REPUBLIC, Berlin	Total: $ 56,160

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	25	27	37	41	62	68
Other USG	6	8	7	8	13	16
Total USG	31	35	44	49	75	84

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing facilities	83	46
Proposed facilities	78	55
Difference	5	9

Narrative Description:

The present short-term leased Chancery is in the center of East Berlin on a heavily traveled street. The building does not meet security setbacks, and is separated from the street by only 10 feet of sidewalk. It is particularly vulnerable to technical and electronic penetration due to sharing a common wall with another building.

To counter this technical threat and meet new security standards, a new chancery of 78,000 square feet is proposed on a large suitable site in East Berlin for an anticipated increase in personnel.

Acquisition and Maintenance of Buildings Abroad (Regular)

Berlin, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-87	FY-88	FY-89	FY-90	FY-91	Total Funds Required
Projects:								
Site Acquisition			$11,000					$11,000
Development			1,434					1,434
Construction				$25,669				25,669
Special Construction				5,198				5,198
One Time Costs:								
Commo & SY Equip					$3,626			3,626
Supervision				2,400	2,400	$2,466		7,266
Furniture/Furnishings					1,967			1,967
TOTAL PROJECT COSTS			12,434	33,267	7,993	2,466		56,160

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	GERMANY, Bonn	Total: $ 19,486

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	N/A	N/A	N/A	N/A	N/A	N/A
Other USG						
Total USG						

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing facilities	N/A	N/A
Proposed facilities		
Difference		

Narrative Description:

The requested funds are needed to protect existing communication facilities from technical penetration efforts by hostile intelligence services.

Acquisition and Maintenance of Buildings Abroad (Regular)

Bonn, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY-87	FY-88	FY-89	FY-90	FY-91	Total Funds Required
Projects:								
Site Acquisition		$						$
Development								
Construction								
One Time Costs:								
Special; OC/SY		$19,486						$19,486
Supervision								
Furniture/Furnishings								
TOTAL PROJECT COSTS		19,486						19,486

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	BELGIUM, Brussels	Total: $ 53,814

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	81	81	137	137	218	218
Other USG	129	129	49	49	178	178
Total USG	210	210	186	186	396	396

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	130	90
Proposed facilities	130	90
Difference	--	--

Narrative Description:

Brussels is a post with significant security threats. The current building is vulnerable to terrorist mob and bomb attacks as well as technical penetration efforts by hostile intelligence services.

The Embassy is located on a major thoroughfare directly on the sidewalk on one side and is bordered by commercial buildings on the other sides. Consequently, the Embassy does not meet the required 100 ft setback on any of its sides. In the block down the boulevard from the Embassy is situated the Joint Administrative Services building which houses all the support activities of the Embassy. This building too is on the street and does not meet current setback requirements.

The Department plans to build a new Chancery building with 130,000 square feet which will house all Embassy operations and those of the USEC Mission Staff.

This construction will permit the Department to meet significant security requirements as well as consolidate all the offices and personnel presently operating from the Chancery and nine other annexes dispersed throughout the city.

Acquisition and Maintenance of Buildings Abroad (Regular)

Brussels, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-87	FY-88	FY-89	FY-90	FY-91	Total Funds Required
Projects:								
Site Acquisition		--	$ 7,500					$ 7,500
Development			1,737					1,737
Construction				$28,986				28,986
Special Construction				750				750
One Time Costs:								
Commo & SY Equip					$4,428			4,428
Supervision				2,300	2,300	$2,363		6,963
Furniture/Furnishings					3,450			3,450
TOTAL PROJECT COSTS		--	9,237	32,036	10,178	2,363		53,814

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	HUNGARY, Budapest	Total: $ 51,860

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	25	25	45	45	70	70
Other USG	22	22	10	10	32	32
Total USG	47	47	55	55	102	102

	Project Area (in thousands)	
	Gross square feet	Net Usable
Existing facilities	68	36
Proposed facilities	68	36
Difference	--	--

Narrative Description:

The Embassy in Budapest is vulnerable to technical penetration efforts by hostile intelligence services. The U.S. Government-owned Chancery is physically located directly on the street. It does not meet current security setback requirements and has common walls with other buildings. The Chancery building has had several technical penetration attempts made against it.

To correct these serious security deficiencies, a new Chancery building of 68,000 sq. ft. is proposed. The new Chancery will also allow us to consolidate all offices and personnel, presently operating from the chancery and three other separately located annexes.

Acquisition and Maintenance of Buildings Abroad (Regular)

Budapest, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-87	FY-88	FY-89	FY-90	FY-91	Total Funds Required
Projects:								
Site Acquisition			$10,000					$10,000
Development			1,438					1,438
Construction				$23,790				23,790
Special Construction				4,508				4,508
One Time Costs:								
Commo & SY Equip					$3,626			3,626
Supervision				2,237	2,237	$2,236		6,710
Furniture/Furnishings					1,788			1,788
TOTAL PROJECT COSTS			11,438	30,535	7,651	2,236		51,860

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	FRANCE, Paris	Total: $ 9,692

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	N/A	N/A	N/A	N/A	N/A	N/A
Other USG						
Total USG						

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	N/A	N/A
Proposed facilities		
Difference		

Narrative Description:

The requested funds are needed to protect existing communication and security facilities from technical penetration efforts by hostile intelligence services.

Acquisition and Maintenance of Buildings Abroad (Regular)

Paris, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY-87	FY-88	FY-89	FY-90	FY-91	Total Funds Required
Projects:								
Site Acquisition			$					$
Development								
Construction								
One Time Costs:								
Special: OC/SY			8,438					8,438
Supervision			1,254					1,254
Furniture/Furnishings								
TOTAL PROJECT COSTS			9,692					9,692

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	CZECHOSLOVAKIA, Prague	Total: $ 71,306

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	24	24	32	32	56	56
Other USG	9	9	10	10	19	19
Total USG	33	33	42	42	75	75

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing facilities	85	71
Proposed facilities	85	71
Difference	--	--

Narrative Description:

The Embassy in Prague is vulnerable to technical penetration efforts by hostile intelligence services. The government owned Chancery is a four story former palace of historic and architectural importance. The complex is a series of old buildings -- some of which are over 300 years old. Because of the historic importance of the buildings, the city will not permit changes to them. The complex contains, the Chancery, consulate offices, Marine Guards Residence, 12 apartments and a school. This complex does not have a 100 ft setback and does not meet other important security requirements.

Accordingly, it is proposed to construct a new and secure Chancery of 85,000 square feet on a site sufficient in size to meet current security standards for setback and other requirements.

The age and configuration of the present buildings (originally the Chancery was four separate structures) prevent upgrading to meet security requirements. In addition there are serious fire/life safety and maintenance deficiencies with the buildings.

Acquisition and Maintenance of Buildings Abroad (Regular)

Prague, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-87	FY-88	FY-89	FY-90	FY-91	Total Funds Required
Projects:								
Site Acquisition			$16,000					$16,000
Development			1,424					1,424
Construction				$33,194				33,194
Special Construction				3,728				3,728
One Time Costs:								
Commo & SY Equip					$5,658			5,658
Supervision				3,026	3,100	$3,100		9,226
Furniture/Furnishings					2,076			2,076
TOTAL PROJECT COSTS			17,424	39,948	10,834	3,100		71,306

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	BULGARIA, Sofia	Total: $ 38,024

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	18	18	20	20	38	38
Other USG	10	10	5	5	15	15
Total USG	28	28	25	25	53	53

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	25	22
Proposed facilities	27	21
Difference	2	1

Narrative Description:

The Embassy in Sofia is vulnerable to technical penetration efforts by hostile intelligence services. The present short-term leased building does not have proper security setbacks and has common walls with buildings owned by the Bulgarian government.

The present Chancery is an old structure and has numerous maintenance problems. This is a particularly precarious situation since Sofia is in an active earthquake area.

The Department proposes to construct a 26,500 square foot chancery which will meet all security specifications and modern seismic standards.

Acquisition and Maintenance of Buildings Abroad (Regular)

Sofia, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-87	FY-88	FY-89	FY-90	FY-91	Total Funds Required
Projects:								
Site Acquisition			$6,500					$6,500
Development			911					911
Construction				$18,370				18,370
Special Construction				1,621				1,621
One Time Costs:								
Commo & SY Equip					$3,626			3,626
Supervision				1,640	1,640	$1,640		4,920
Furniture/Furnishings					2,076			2,076
TOTAL PROJECT COSTS			7,411	21,631	7,342	1,640		38,024

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	AUSTRIA, Vienna	Total: $ 89,253

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	60	60	116	116	176	176
Other USG	98	98	92	92	190	190
Total USG	158	158	208	208	366	366

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	61	49
Proposed facilities	239	156
Difference	178	107

Narrative Description:

The Embassy in Vienna is vulnerable to various security threats, particularly technical penetration efforts by hostile intelligence services. The Chancery is physically located close to the street, and does not meet current security setback requirements. The two annexes located at each end of the Chancery compound have common walls with other buildings.

The Department proposes to construct a new Chancery with 239,000 sq. ft. which will house all personnel assigned to Vienna, which includes: UNVIE and MBFR Missions, USIA Regional Project Office, and FBIS office. Existing facilities square footage does not include space currently occupied in USG leased annexes.

Because of the international conference activities of UNVIE and the sensitive strategic meetings of MBFR, special conference facilities for the new Chancery building must be included.

Acquisition and Maintenance of Buildings Abroad (Regular)

Vienna, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-87	FY-88	FY-89	FY-90	FY-91	Total Funds Required
Projects:								
Site Acquisition			$25,000					$25,000
Development			1,651					1,651
Construction				$29,029				29,029
Special Construction				10,559				10,559
One Time Costs:								
Commo & SY Equip					$4,566			4,566
Supervision				3,849	3,849	$3,850		11,548
Furniture/Furnishings					6,900			6,900
TOTAL PROJECT COSTS			26,651	43,437	15,315	3,850		89,253

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	U.A.E., Abu Dhabi	Total: $ 29,052

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	15	15	20	22	35	37
Other USG	7	7	14	15	21	22
Total USG	22	22	34	37	56	59

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	16	14
Proposed facilities	30	25
Difference	14	11

Narrative Description:

The Embassy in Abu Dhabi has substantial physical security threats. The present chancery is located in a long-term leased compound containing four residential villas. The security of the compound is substantially below current security setback standards from adjacent public streets.

The U.S. Government has long-term leased a plot of land in the Abu Dhabi Diplomatic Enclave through year 2079. However, this plot does not provide adequate area to meet current security setback standards. The Department will request the U.A.E. Government to exchange our present plot within the Diplomatic Enclave for two adjacent plots of adequate total area to provide sufficient setback for the new chancery compound. Due to application of revised physical security standards and practices developed following the recent terrorist incidents in the Middle East, overall construction costs have been adjusted to reach the current request of $29,052,000.

The new building will include the Marine Guard Residence (5,000 sq. ft.) and the Trade Center (6,000 sq. ft.) now located in leased properties.

Acquisition and Maintenance of Buildings Abroad (Regular)

Abu Dhabi, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-87	FY-88	FY-89	FY-90	FY-91	Total Funds Required
Projects:								
Site Acquisition								
Development			$1,500					$ 1,500
Construction				$20,307				20,307
Special Construction				2,208				2,208
One Time Costs:								
Commo & SY Equip					$3,848			3,848
Supervision				220	200	$35		455
Furniture/Furnishings								
Initial					755			755
Recycled					-21			-21
Net Furniture Costs					734			734
TOTAL PROJECT COSTS			1,500	22,735	4,782	35		29,052

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CONSULATE OFFICE BUILDING	EGYPT, Alexandria	Total: $ 24,752

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	7	8	10	10	17	18
Other USG	8	8	10	10	18	18
Total USG	15	16	20	20	35	36

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing facilities	28	24
Proposed facilities	25	17
Difference	-3	-7

Narrative Description:

The Consulate General in Alexandria is faced with substantial physical security threats. The current Consulate General Compound occupies one square block of property with the main office building fronting a busy commercial street. Included in this U.S. Government owned compound are: the Consulate Office Building, Consul General Residence and the USIA Library Building.

However, the compound does not meet current security standards insufficient setback from public streets. To meet security and structural design objectives, it is necessary to acquire a new site and construct a new Consulate Office Building of 25,000 square feet.

Acquisition and Maintenance of Buildings Abroad (Regular)

Alexandria, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY-87	FY-88	FY-89	FY-90	FY-91	
Projects:								
Site Acquisition		--	$ 6,000					$6,000
Development		--	672					672
Construction		--		$11,892				11,892
Special Construction				300				300
One Time Costs:								
Supervision				1,282	$1,282	$639		3,203
Commo & SY Equip					1,535			1,535
Furniture & Furnishings					1,150			1,150
TOTAL PROJECT COSTS			6,672	14,624	2,817	639		24,752

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
NEW OFFICE BUILDING	EGYPT, Cairo	Total: $ 54,608

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	82	82	182	182	264	264
Other USG	280	280	520	520	800	800
Total USG	362	362	702	702	1,064	1,064

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	106	56
Proposed facilities	220	143
Difference	114	87

Narrative Description:

The Embassy in Cairo is faced with continued substantial physical security threats. Prior to restart of construction, an alternative building program was developed to incorporate up-to-date perimeter and structural security requirements. The intractable security problems of the various street-front buildings on the Chancery compound and the lack of setbacks from major city streets have led to a decision to raze the Zahra and Consular Annex facilities. This will require construction of an additional office building on the compound of 142,500 square feet to accommodate those staffs removed from the razed buildings as well as USIA, FCS, and Marine Guard Residence presently located outside the existing compound.

Essential elements of the revised building program for Cairo include:
-- Design and construct a second office building to current perimeter and structural requirements;
-- Razing of the Zahra Annex, the Consular Annex C buildings, and the present Marine Guard residence which eliminates buildings on the compound that do not meet required 100 ft setback criteria.

The construction program outlined above will result in a Cairo Chancery Compound which will meet Department security and structural design objectives.

Acquisition and Maintenance of Buildings Abroad (Regular)

Cairo, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-87	FY-88	FY-89	FY-90	FY-91	Total Funds Required
Projects:								
Site Acquisition								
Development			$1,620					$ 1,620
Construction				$32,884				32,884
Special Construction				9,652				9,652
One Time Costs:								
Supervision				364	$ 364	$ 364		1,092
Commo & SY Equip					5,250			5,250
Furniture & Furnishings					4,110			4,110
TOTAL PROJECT COSTS			1,620	42,900	9,724	364		54,608

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CONSULATE OFFICE BUILDING	Jerusalem	Total: $ 41,083

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	19	19	40	40	59	59
Other USG	8	7	4	5	12	12
Total USG	27	26	44	45	71	71

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	20	13
Proposed facilities	33	22
Difference	13	9

Narrative Description:

The Consulate General in Jerusalem is faced with continued substantial security threats. The Consulate General is in two compounds, West Jerusalem and East Jerusalem. None of the Consulate buildings meets current security standards, primarily due to the total lack of setback from streets.

To consolidate all Government offices into one compound to meet security and structural design objectives, it will be necessary to acquire a new site of 5 acres and construction of a 33,500 square foot building. The projected space requirements includes a Marine Guard Residence and USIA offices presently located in leased properties.

Acquisition and Maintenance of Buildings Abroad (Regular)

Jerusalem, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-87	FY-88	FY-89	FY-90	FY-91	Total Funds Required
Projects:								
Site Acquisition		--	$10,000					$10,000
Development		--	920					920
Construction		--		$17,839				17,839
Special Construction				2,104				2,104
One Time Costs:								
Supervision				2,125	$2,130	$1,061		5,316
Commo & SY Equip					3,849			3,849
Furniture & Furnishings					1,055			1,055
TOTAL PROJECT COSTS		--	10,920	22,068	7,034	1,061		41,083

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	MOROCCO, Rabat	Total: $ 34,833

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	46	51	100	110	146	161
Other USG	63	70	60	66	123	133
Total USG	109	121	160	176	269	294

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing facilities	45	30
Proposed facilities	60	39
Difference	15	9

Narrative Description:

The Embassy in Rabat is faced with continued substantial physical security threats. Specifically, the Department believes that the present Embassy Residence (EMR) is very vulnerable to terrorist attack because it has virtually no setback. Also, the present Chancery was constructed in 1961 and occupies 3.71 acres in downtown Rabat. There is no possibility of retrofitting the structure to meet current security standards or to comply with current security setback requirements. Accordingly, the Chancery also is vulnerable to terrorist or mob violence.

The U.S. government has been authorized to purchase a 8.25 acre site in a prime residential area. The Department expects to build a new EMR and Chancery of 60,000 square feet on this site. In addition to constructing a new EMR on this site, we plan to build a Chancery consisting of 60,000 gross square feet. The increased space requirements are the result of anticipated new positions.

FBO/SY-97

Acquisition and Maintenance of Buildings Abroad (Regular)

Rabat, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Site Acquisition			$ 400					$ 400
Development			1,340					1,340
Construction				$22,185				22,185
Special Construction				3,933				3,933
One Time Costs:								
Commo & SY Equip				3,848				3,848
Supervision				339	$384			723
Furniture/Furnishings								
Initial					2,460			2,460
Recycled					-56			-56
Net Furniture Costs					2,404			2,404
TOTAL PROJECT COSTS			1,740	30,305	2,788			34,833

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1987 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
NEW CHANCERY COMPOUND	ISRAEL, Tel Aviv	Total: $ 83,423

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	85	89	120	126	205	215
Other USG	25	28	52	56	77	84
Total USG	110	117	172	182	282	299

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	81	58
Proposed facilities	120	78
Difference	39	20

Narrative Description:

The Embassy in Tel Aviv is faced with continued substantial security threats. The present Chancery is located in the center of the congested commercial district of the city with no security set-back from the surrounding streets. The building is now extremely vulnerable to terrorist or mob violence.

The Chancery does not have adequate space for requirements of all the U.S. agencies now in Israel. To adequately consolidate all U.S. Government offices into one Chancery compound to meet space program demands and security and structural design objectives, it will be necessary to acquire an alternate site in Tel Aviv of 10-acres for construction of a 120,000 square foot office building compound. The new building will include space for additional staff, Marine Guard Residence (11,000 sq. ft.) and other personnel currently housed in leased properties.

Acquisition and Maintenance of Buildings Abroad (Regular)

Tel Aviv, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-87	FY-88	FY-89	FY-90	FY-91	Total Funds Required
Projects:								
Site Acquisition	10/86	--	$15,218					$15,218
Development		--	1,753					1,753
Construction				$37,895				37,895
Special Construction				8,073				8,073
One Time Costs:								
Supervision				5,030	$5,200	$2,347		12,577
Commo & SY Equip					4,272			4,272
Furniture & Furnishings					3,635			3,635
TOTAL PROJECT COSTS		--	16,971	50,998	13,107	2,347		83,423

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1988 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	MADAGASCAR, Antananarivo	Total: $ 38,615

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	11	11	19	19	30	37
Other USG	4	4	8	8	12	12
Total USG	15	15	27	27	42	42

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	18	12
Proposed facilities	21	14
Difference	3	2

Narrative Description:

The Embassy in Antananarivo is not only quite vulnerable to mob violence but also to technical penetration efforts by hostile intelligence services. The current short term leased quarters are in a converted apartment building with absolutely no setback; therefore, necessary security measures cannot be instituted. Near neighbors are the Libyan and Soviet Misssions.

In addition, the building is overcrowded and a fire risk.

Acquisition and Maintenance of Buildings Abroad (Regular)

Antananarivo, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY-88	FY-89	FY-90	FY-91	FY-92	
Projects:								
Site Acquisition		--	$ 3,000	$	$	$		$ 3,000
Development		--	1,970					1,970
Construction		--		22,651				22,651
Special Construction				1,173				1,173
One Time Costs:								
Supervision				1,666	1,665	1,665		4,996
Furniture/Furnishings					1,278			1,278
Commo & SY					3,547			3,547
TOTAL PROJECT COSTS			4,970	25,490	6,490	1,665		38,615

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1988 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CONSULATE OFFICE BUILDING	SOUTH AFRICA, Johannesburg	Total: $25,179

Post Profile:

Consulate Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	18	18	12	12	30	30
Other USG	0	0	0	0	0	0
Total USG	18	18	12	12	30	30

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing facilities	12	8
Proposed facilities	12	8
Difference	--	--

Narrative Description:

Because of the extremely volatile political situation in South Africa, our Consulate General (CONGEN) in Johannesburg is extremely vulnerable to terrorist attack or mob violence. Operations are split between the current short-term leased office building and annexes; therefore, necessary security measures cannot be properly instituted. Additionally, the current CONGEN is considered a moderate fire risk.

Acquisition and Maintenance of Buildings Abroad (Regular)

Johannesburg, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY 88	FY 89	FY 90	FY 91	FY 92	
Projects:								
Site Acquisition			$4,500					$4,500
Development			693					693
Construction				$11,372				11,372
Special Construction				655				655
One Time Costs:								
Supervision				258	$1,500	$1,500		3,258
Furniture/Furnishings					1,380			1,380
Commo & SY Equip					3,361			3,361
TOTAL PROJECT COSTS			5,193	12,285	6,241	1,500		25,179

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1988 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	PANAMA, Panama	Total: $ 65,205

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	76	76	172	172	248	248
Other USG	78	78	51	51	129	129
Total USG	154	154	223	223	377	377

	Project Area (in thousands)	
	Gross square feet	Net Usable
Existing facilities	101	89
Proposed facility	150	99
Differences	49	10

Narrative Description:

The Chancery does not meet current security standards primarily due to the total absence of a setback from the street. The Consular Section, Administration and USIA are in separate locations in buildings which have only minimal setbacks.

The present Chancery was built in 1939, and a fourth floor was added in 1962. Due to constraints imposed by design features, elevator and placement, there is no way to improve fire safety exits or public access controls. The Department intends to construct a 150,000 gross square foot building on property which it currently holds under a 99 year lease. All U.S. Government employees will be housed in the building.

Our recent treaty with Panama required that U.S. government offices leave the Canal Zone. The residual functions performed by these offices are now housed in the Embassy, creating severe overcrowding. This cramped situation will be resolved by the proposed new Chancery.

Acquisition and Maintenance of Buildings Abroad (Regular)

Panama, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-88	FY-89	FY-90	FY-91	FY-92	Total Funds Required
Projects:								
Site Acquisition								
Development			$2,521					$ 2,521
Construction				$37,310				37,310
Special Construction				10,143				10,143
One Time Costs:								
Supervision				3,000	$3,000	$2,437		8,437
SY/OC Costs					4,428			4,428
Furniture/Furnishings Initial					2,366			2,366
TOTAL PROJECT COSTS			2,521	50,453	9,794	2,437		65,205

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1988 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	SURINAM, Paramaribo	Total: $35,106

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	17	20	13	15	30	35
Other USG	6	7	7	7	13	14
Total USG	23	27	20	22	43	49

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing facilities	29	20
Proposed facilities	30	21
Difference	1	1

Narrative Description:

The Embassy in Paramaribo is a high threat post and vulnerable to terrorist attack and mob violence. The present Chancery is located in a leased building with no setback from the street. A recent structural analysis determined that the existing building foundations are already over-stressed, thus preventing efforts to strengthen the post communications center to meet classified processing standards. The structural condition of the building also limits sorely needed efforts to improve security. In addition, occupants of a neighboring building have direct access (via their fire escapes) to the Chancery compound.

Funds are requested for site acquisition, design and construction of a 30,000 gross square foot Chancery. Costs for this project have been adjusted to reflect current security standards.

FBO/SY-107

Acquisition and Maintenance of Buildings Abroad (Regular)

Paramaribo, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY 88	FY 89	FY 90	FY 91	FY 92	
Site Acquisition			$4,000					$4,000
Development			1,150					1,150
Construction				$19,767				19,767
Special Construction				1,863				1,863
One Time Costs:								
Supervision				1,817	$1,817	$908		4,542
OC/SY Equipment					3,197			3,197
Furniture/Furnishings					587			587
TOTAL PROJECT COSTS			5,150	23,447	5,601	908		35,106

FBO/SY-108

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1988 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	ECUADOR, Quito	Total: $ 62,676

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	46	50	40	43	86	93
Other USG	30	33	57	58	87	91
Total USG	76	83	97	101	173	184

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	47	32
Proposed facility	62	40
Difference	15	8

Narrative Description:

The Embassy in Quito is a high threat post and is quite vulnerable to terrorist attack and mob violence.

The present Chancery and two annex's are on a 1.48 acre site with minimum setback. Two sides of both annexes have no setback. The Chancery has setbacks on two sides less than 20 feet. The other sides are approximately 40 foot setbacks. Also, the Chancery is overcrowded and has no room for expansion or to meet improved security requirements.

The proposed Chancery will alleviate the overcrowding and provide for the projected increase in personnel.

Acquisition and Maintenance of Buildings Abroad (Regular)

Quito, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-88	FY-89	FY-90	FY-91	FY-92	Total Funds Required
Projects:								
Site Acquisition			$2,500					$ 2,500
Development			1,120					1,120
Construction				$46,546				46,546
Special Construction				6,003				6,003
One Time Costs:								
Supervision				155	$180	$120		455
OC/SY Costs					4,142			4,142
Furniture/Furnishings Initial					1,910			1,910
TOTAL PROJECT COSTS			3,620	52,704	6,232	120		62,676

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1988 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	THAILAND, Bangkok	Total: $ 61,243

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	146	146	214	214	360	360
Other USG	233	233	184	184	417	417
Total USG	379	379	398	398	777	777

	Project Area (in thousands)	
	Gross square feet	Net Usable
Existing facilities	249	199
Proposed facilities	389	253
Difference	140	54

Narrative Description:

The present Chancery is located on an 11 acre USG owned compound. However, current security setback requirements cannot be met. Various sections of the Chancery are less than thirty feet from the perimeter wall.

The Chancery also does not have adequate space to meet the requirements of all the USG agencies now represented in Bangkok. Entities such as our regional finance center (RAMC), the Department of Agriculture, USIA, the Foreign Commercial Service and AID are located in short term leased and government owned facilities scattered throughout the city of Bangkok.

Funds will be requested in 1988 to consolidate all USG agencies into one facility of 388,500 square feet. The proposed Chancery will be built on one of the USG owned properties in Bangkok.

Acquisition and Maintenance of Buildings Abroad (Regular)

Bangkok, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-88	FY-89	FY-90	FY-91	FY-92	Total Funds Required
Projects:								
Site Acquisition		--						$
Development		--	$1,422					1,422
Construction		--		$33,343				33,343
Special Construction				14,313				14,313
One Time Costs:								
Supervision				2,945	$2,945	$2,034		7,924
Commo & SY Equip					2,385			2,385
Furniture & Furnishings					1,856			1,856
TOTAL PROJECT COSTS		--	1,422	54,601	7,186	2,034		61,243

FBO/SY-112

Acquisition and Maintenance
of Buildings Abroad (Regular)

1986 SECURITY SUPPLEMENTAL ESTIMATES
1988 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	BURMA, Rangoon	Total: $ 35,754

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	40	62	61	60	101	122
Other USG	13	17	24	39	37	56
Total USG	53	79	85	99	138	178

	Project Area Gross square feet	 Net Usable
	(In thousands)	
Existing facilities	33	22
Proposed facilities	87	56
Difference	54	34

Narrative Description:

The Embassy occupies a 33,343 gross square foot office building in downtown Rangoon. It was originally built in 1930 and was acquired by the USG in 1947. The Chancery is susceptible to terrorist activity since three sides of the building front directly onto the street and vehicles can be parked directly against the building on two sides.

Rangoon is also in an earthquake zone and the building has no earthquake protection. The building rates as the Department's fourth worst fire and life hazard and the worst in East Asia. A structural Engineer inspecting the building in April, 1983 found rusted columns in the basement and assessed that, because of age and numerous loading changes, the structural integrity of the building may be impaired.

The building does not have sufficient space for the existing mission staff and is a constant maintenance problem. There are no available buildings which meet Departmental specifications which can be rented. The USG plans to construct new Chancery building on a U.S. government site which is currently used as a housing compound. The proposed Chancery will alleviate the overcrowding and provide for the projected increase in personnel and will incorporate the latest security requirements in its design.

Acquisition and Maintenance of Buildings Abroad (Regular)

Burma, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	FY 88	Estimated Obligations FY 89	FY 90	FY 91	FY 92	Total Funds Required
Projects:								
Site Acquisition								
Development	10/84	$3,170						$ 3,170
Construction			$23,500					23,500
Special Construction			5,579					5,579
One Time Costs:								
Supervision			400	$390	$370			1,160
SY/Commo Equipment				3,815				3,815
Furniture/Furnishings								
Initial				1,700				1,700
Recycled								
Net Furniture Costs				1,700				1,700
TOTAL PROJECT COSTS		3,170	29,479	5,905	370			38,924
Less: Funds Provided To Date								-3,170
TOTAL FUNDS REQUIRED								35,754

FBO/SY-114

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1988 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CONSULATE OFFICE BUILDING	HONG KONG, Hong Kong	Total: $ 6,278

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	N/A	N/A	N/A	N/A	N/A	N/A
Other USG						
Total USG						

	Project Area (in thousands)	
	Gross square feet	Net Usable
Existing facilities	N/A	N/A
Proposed facilities		
Difference		

The requested funds are needed at the Consulate General in Hong Kong to protect communications and security facilities to from technical penetration efforts by hostile intelligence services.

Acquisition and Maintenance of Buildings Abroad (Regular)

Hong Kong, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-88	FY-89	FY-80	FY-91	FY-92	Total Funds Required
Projects:								
Site Acquisition								
Development								
Construction			$5,466					$5,466
One Time Costs:								
Supervision			406	406				812
Commo & SY Equip								
Furniture & Furnishings								
TOTAL PROJECT COSTS			5,872	406				6,278

FBO/SY-116

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates

1988 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
SITE ACQUISITION	MALAYSIA, Kuala Lumpur	Total: $ 6,000

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	N/A	N/A	N/A	N/A	N/A	N/A
Other USG						
Total USG						

	Project Area Gross square feet (in thousands)	Net Usable
Existing Facility	N/A	N/A
Proposed facility		
Difference		

Narrative Description:

The U.S. government constructed a new Chancery building in Kuala Lumpur which was occupied in September, 1983. The building contains approximately 107,000 gross square feet and includes office space for all U.S. government agencies currently at post. At the time the building was constructed it met all the applicable security standards. It does not, however, meet the setback requirements in effect today. Adjacent to the north side of the Chancery is a vacant lot of approximately 3 acres. The owner has petitioned to develop a high-rise commercial complex on this site. This would destroy the otherwise good security posture of the Chancery and probably result in the USG having to construct another Chancery on a new site. This petition has been temporarily deferred due to the Embassy's objections. However, planning authorities have advised that there is a good prospect of the owner obtaining approval for a low-rise office development.

To assure the future security of our new Chancery by providing the 100 foot setback, we would like to purchase this property. The property would be held for future development as an Embassy housing complex.

Acquisition and Maintenance of Buildings Abroad (Regular)

Kuala Lumpur, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY-88	Estimate FY-89	Estimate FY-90	Estimate FY-91	Estimate FY-92	Total Funds Required
Projects:								
Site Acquisition			$6,000					$6,000
Development								
Construction								
One Time Costs:								
Supervision								
Furniture/Furnishings								
Initial								
Recycled								
Net Furniture Costs								
TOTAL PROJECT COSTS					6,000			6,000

FBO/SY-118

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1988 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CONSULATE	JAPAN, Osaka/Kobe	Total: $ 2,932

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	N/A	N/A	N/A	N/A	N/A	N/A
Other USG						
Total USG						

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	N/A	N/A
Proposed facilities		
Difference		

The requested funds are needed for the Consulate General at Osaka/Kobe to protect communications and security facilities to from technical penetration efforts by hostile intelligence services.

Acquisition and Maintenance of Buildings Abroad (Regular)

Osaka/Kobe Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY-88	FY-89	FY-90	FY-91	FY-92	
Projects:								
Site Acquisition								$
Development								
Construction			$2,553					2,553
One Time Costs:								
Supervision			189	$190				379
Commo & SY Equip								
Furniture & Furnishings								
TOTAL PROJECT COSTS			2,742	190				2,932

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1988 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	DENMARK, Copenhagen	Total: $53,716

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	27	27	38	38	65	65
Other USG	17	17	36	36	53	53
Total USG	44	44	74	74	118	118

	Project Area Gross square feet (in thousands)	Net Usable
Existing facilities	63	48
Proposed facilities	63	48
Difference	--	--

Narrative Description:

The U.S. Government-owned Chancery is close to the street, and does not meet current security requirements. Building design and the large amount of glasswork in the facade contribute to the present building's high vulnerability to physical security threats. A new Chancery building with 63,000 sq. ft. is proposed in 1988 to correct these severe security deficiencies.

Acquisition and Maintenance of Buildings Abroad (Regular)

Copenhagen, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY 88	FY 89	FY 90	FY 91	FY 92	
Projects: Office Building Chancery								
Site Acquisition			$12,000					$12,000
Development			1,404					1,404
Construction				$23,523				23,523
Special Construction				4,161				4,161
One Time Costs:								
Commo & SY Equip					$3,953			3,953
Supervision				2,317	2,317	$2,316		6,950
Furniture/Furnishings					1,725			1,725
TOTAL PROJECT COSTS			13,404	30,001	7,995	2,316		53,716

FBO/SY-122

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1988 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	GERMANY, Hamburg	Total: $ 48,128

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	40	42	48	51	88	93
Other USG	6	8	9	11	15	19
Total USG	46	50	57	62	103	112

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing facilities	60	39
Proposed facilities	61	43
Difference	1	4

Narrative Description:

The Consulate General at Hamburg is faced with significant potential security threats. The USG owned Consulate Building in Hamburg does not meet the required security setbacks from the heavily traveled streets surrounding it. The 1950 construction methods of large expansive use of glass windows afford little blast protection despite recent efforts to make the building more secure.

It is proposed to construct a building of 61,000 sq. ft. in 1988 on a new, large site that will meet the required security setbacks and standards, and accommodate anticipated personnel increases.

Acquisition and Maintenance of Buildings Abroad (Regular)

Hamburg, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-88	FY-89	FY-90	FY-91	FY-92	Total Funds Required
Projects:								
Site Acquisition			$11,500					$11,500
Development			1,297					1,297
Construction				$21,654				21,654
Special Construction				4,002				4,002
One Time Costs:								
Commo & SY Equip					$1,723			1,723
Supervision				1,227	2,500	$2,500		6,227
Furniture/Furnishings					1,725			1,725
TOTAL PROJECT COSTS			14,024	26,883	5,948	2,500		48,128

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1988 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	SPAIN, Madrid	Total: $ 50,982

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	71	71	50	50	121	121
Other USG	74	74	33	33	107	107
Total USG	145	145	83	83	228	228

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	85	40
Proposed facilities	114	52
Difference	29	12

Narrative Description:

The Embassy in Madrid is faced with significant potential security threats. However, the present embassy building does not have proper security setbacks. Furthermore, the Department occupies office space in six additional buildings around town.

The Department proposes to construct a 114,000 square foot Chancery in 1988 which will meet all security specifications. The existing square footage does not include space occupied by personnel in leased annexes.

FBO/SY-125

Acquisition and Maintenance of Buildings Abroad (Regular)

Madrid, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-88	FY-89	FY-90	FY-91	FY-92	Total Funds Required
Projects:								
Site Acquisition		--	$12,500					$12,500
Development		--	936					936
Construction				$22,572				22,572
Special Construction				500				500
One Time Costs:								
Commo & SY Equip					$4,428			4,428
Supervision				2,198	2,198	$2,200		6,596
Furniture/Furnishings					3,450			3,450
TOTAL PROJECT COSTS			13,436	25,270	10,076	2,200		50,982

FBO/SY-126

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1988 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CONSULATE	YUGOSLAVIA, Zagreb	Total: $ 26,185

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	8	8	9	9	17	17
Other USG	2	2	7	7	9	9
Total USG	10	10	16	16	26	26

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	12	11
Proposed facilities	12	11
Difference		

Narrative Description:

The U.S. Government-Owned Consulate General Office building is physically located directly on the street. It does not meet the current security setback requirements, and it shares common walls with other buildings. These limitations render the building susceptible to physical security threats of terrorist actions or technical security penetration attempts by hostile intelligence services.

A new consulate office building with 12,000 sq. ft. is proposed to remedy these serious security deficiencies.

Acquisition and Maintenance of Buildings Abroad (Regular)

Zagreb, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-88	FY-89	FY-90	FY-91	FY-92	Total Funds Required
Projects:								
Site Acquisition			$1,000					$ 1,000
Development			1,004					1,004
Construction				$14,339				14,339
Special Construction				2,537				2,537
One Time Costs:								
Commo & SY Equip					$3,486			3,486
Supervision				1,129	1,129	$1,130		3,388
Furniture/Furnishings					431			431
TOTAL PROJECT COSTS			2,004	18,005	5,046	1,130		26,185

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1988 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Cost
CHANCERY COMPOUND	ALGERIA, Algiers	Total: $ 37,706

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	21	23	28	28	49	51
Other USG	10	10	13	13	23	23
Total USG	31	33	41	41	72	74

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	80	65
Proposed facilities	106	81
Difference	26	16

Narrative Description:

Funds have been approved for site development of a new office building compound for Algiers in the Department's 1986 Budget. Construction costs were originally estimated at $22,685,000. Because of the need for strengthened physical security standards, overall costs of this construction project have increased.

The U.S. Government acquired a 7.3 acre site in October, 1983 as compensation for property expropriated by the Algerian Government. The Department proposes to develop this site using a master plan for construction of a new office building, Marine Guard quarters, and staff housing.

The present Chancery occupies two leased office buildings in the center of the city commercial district. Both buildings are old, inadequately configured and are located with unacceptable set-back from the public street. A total of $37,706,000 is requested in 1988 to initiate construction of a new Chancery compound in Algiers.

Acquisition and Maintenance of Buildings Abroad (Regular)

Algiers, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-88	FY-89	FY-90	FY-91	FY-92	Total Funds Required
Projects:								
Site Acquisition	10/83							
Development		$1,615						$ 1,615
Construction			$27,540					27,540
Special Construction			2,898					2,898
One Time Costs:								
Supervision			520	$ 510	$500			1,530
Commo & SY Equip				3,848				3,848
Furniture/Furnishings								
Initial				1,945				1,945
Recycled				-55				-55
Net Furniture Costs				1,890				1,890
SUBTOTAL PROJECT COSTS		1,615	30,958	6,248	500			39,321
Less: Funds Provided To Date								-1,615
TOTAL FUNDS REQUIRED								37,706

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1988 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CONSULATE OFFICE BUILDING	INDIA, Bombay	Total: $ 31,757

Post Profile:

Consulate Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	19	21	63	65	82	86
Other USG	5	5	49	50	54	55
Total USG	24	26	112	115	136	141

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing facilities	52	35
Proposed facilities	55	37
Difference	3	2

Narrative Description:

The Consulate General in Bombay is a high threat post and vulnerable to terrorist attack and mob violence. The U.S. Government-owned Consulate Office Building in Bombay is a converted Maharaja's palace dating from the 1930's and is unsuited for further modification to withstand potential security threats. It is situated on a compound in the center of Bombay's congested metropolitan area, where overcrowding approaches that of Hong Kong. The principal Office Building has a reasonable setback from the city street and is protected in the rear by the Indian Ocean. However, setbacks on the two sides are minimal. In addition, the Consular and Administrative wings have no setbacks from the street. Operations are also split between the current office building and annexes. For these reasons, necessary security measures cannot be properly instituted. Further, the Consulate office building is considered a moderate fire risk.

To consolidate all U.S. Government offices into one facility to meet security and structural design objectives, it is necessary to acquire a new site and construct a facility of approximately 55,000 gross square feet. The projected space includes a Chancery, warehouse and staff apartment complex. Existing warehousing and staff housing are currently located in leased properties.

Acquisition and Maintenance of Buildings Abroad (Regular)

Bombay, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY 88	FY 89	FY 90	FY 91	FY 92	
Projects:								
Site Acquisition								
Development			$1,400					$1,400
Construction				$15,781				15,781
Special Construction				3,519				3,519
One Time Costs:								
Supervision				2,210	$2,220	$1,102		5,532
Commo & SY Equip					4,145			4,145
Furniture & Furnishings					1,380			1,380
TOTAL PROJECT COSTS			1,400	21,510	7,745	1,102		31,757

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1989 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	KINSHASA, Zaire	Total: $ 50,920

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	18	18	18	18	36	36
Other USG	14	14	36	36	50	50
Total USG	32	32	54	54	86	86

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	78	48
Proposed facilities	90	59
Difference	12	11

Narrative Description:

The Embassy in Zaire is faced with significant potential security threats. However, the current government-owned chancery lacks proper set-back from a main thoroughfare and necessary security measures cannot be instituted.

Additionally, the building is too small, in relatively poor condition, and a high fire risk. A new building of 90,000 square feet is proposed for construction in 1989. The space increase will accomodate personnel currently located in leased annexes.

Acquisition and Maintenance of Buildings Abroad (Regular)

Kinshasa, Cont'd

		Funds Provided To Date	Estimated Obligations					Total Funds
Activity	**Date**	**(FY-1986)**	**FY-89**	**FY-90**	**FY-91**	**FY-92**	**FY-93**	**Required**
Projects:								
Site Acquisition			$12,500					$12,500
Development			1,636					1,636
Construction				$19,185				19,185
Special Construction				6,003				6,003
One Time Costs:								
Supervision				2,500	$2,500	$1,588		6,588
Furniture/Furnishings					772			772
Commo & SY					4,236			4,236
TOTAL PROJECT COSTS			14,136	27,688	7,508	1,588		50,920

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1989 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	BARBADOS, Bridgetown	Total: $ 29,523

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	33	36	35	41	68	77
Other USG	16	16	3	3	19	19
Total USG	49	52	38	44	87	96

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	24	19
Proposed facilities	40	28
Difference	16	9

Narrative Description:

The Embassy in Bridgetown is composed of insecure short-term leased office space in three buildings in the congested downtown area of Bridgetown. All three buildings are located directly on the street and have limited public access controls. The Chancery is on the upper floors of a commercial bank building. One annex houses another bank and private offices; the other annex is above a ground floor shopping mall. Due to space limitations and personnel increases, the Chancery is unable to accommodate the Consular Section, Foreign Commercial Service, and Military Liaison Office, all of which are located in separate leased quarters.

A total of $29,523,000 is proposed in 1989 to acquire a site, design and construct a 40,000 gross square foot Chancery. Costs for this project have been adjusted to reflect current security requirements.

Acquisition and Maintenance of Buildings Abroad (Regular)

Bridgetown, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY-89	FY-90	FY-91	FY-92	FY-93	
Projects:								
Site Acquisition			$2,639					$2,639
Development			1,034					1,034
Construction				$17,725				17,725
Special Construction				300				300
One Time Costs:								
Supervision				1,528	$1,528	$764		3,820
Commo & SY Equip					3,626			3,626
Furniture/Furnishings					379			379
TOTAL PROJECT COSTS			3,673	19,553	5,533	764		29,523

FBO/SY-136

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1989 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	BAHAMAS, Nassau	Total: $ 30,703

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	18	21	24	33	42	54
Other USG	11	13	3	5	14	18
Total USG	29	34	27	38	56	72

	Project Area Gross square feet (in thousands)	Net Usable
Existing facilities	26	17
Proposed facilities	32	22
Difference	6	5

Narrative Description:

The present Chancery occupies leased space in a commercial building which also contains a bank and an attorney's office. The building has no setback from the street, and pedestrians have virtually uncontrolled access to three sides of the building.

A total of $30,703,000 is requested in 1989 for design and construction of a 32,000 gross square foot Chancery. The USG already owns a suitable site. Costs for this project have been adjusted to reflect current security requirements.

Acquisition and Maintenance of Buildings Abroad (Regular)

Nassau, Cont'd

		Funds Provided To Date	Estimated Obligations					Total Funds
Activity	Date	(FY-1986)	FY-89	FY-90	FY-91	FY-92	FY-93	Required
Projects:								
Site Acquisition								$
Development			$1,678					1,678
Construction				$19,646				19,646
Special Construction				750				750
One Time Costs:								
Supervision				1,589	$1,589	$794		3,972
Commo & SY Equip					3,507			3,507
Furniture/Furnishings					1,150			1,150
TOTAL PROJECT COSTS			1,678	21,985	6,246	794		30,703

FBO/SY-138

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1989 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CONSULATE OFFICE BUILDING	BRAZIL, Rio de Janeiro	Total: $ 60,341

Post Profile:

Consulate Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	34	34	65	65	99	99
Other USG	45	45	86	86	131	131
Total USG	79	79	151	151	230	230

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	92	52
Proposed facility	92	61
Differences	0	9

Narrative Description:

The Consulate General in Rio de Janerio is faced with significant potential security threats. Crime in the city is high also The present building is located in the congested downtown area on one-way streets and has no setbacks from the property lines. In addition, several high rise buildings surround the Consulate.

Therefore, the Department proposes $60,341,000 in 1989 to construct a 92,000 gross square foot building in the suburbs to house staff from various agencies.

Acquisition and Maintenance of Buildings Abroad (Regular)

Rio de Janeiro, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-89	FY-90	FY-91	FY-92	FY-93	Total Funds Required
Projects:								
Site Acquisition			$14,862					$14,862
Development			1,535					1,535
Construction				$26,684				26,684
Special Construction				3,150				3,150
One Time Costs:								
Supervision				3,000	$2,750	$2,058		7,808
Commo & SY Equip					4,004			4,004
Furniture/Furnishings Initial					2,298			2,298
TOTAL PROJECT COSTS			16,397	32,834	9,052	2,058		60,341

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1989 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Cost
CONSULATE OFFICE BUILDING	BRAZIL, Sao Paulo	Total: $ 39,609

Post Profile:

Consulate Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	19	19	25	25	44	44
Other USG	20	20	35	35	55	55
Total USG	39	39	60	60	99	99

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	38	24
Proposed facility	38	25
Differences	0	1

Narrative Description:

The Consulate General in Sao Paulo is faced with significant potential security threats. The present building is located in the congested downtown area and has no setbacks. In addition, several high rise buildings surround the Consulate.

Therefore, the Department proposes to construct in 1989 a 38,000 gross square foot building in the suburbs to house the staff of U.S. government agencies in the city.

Acquisition and Maintenance of Buildings Abroad (Regular)

Sao Paulo, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY-89	FY-90	FY-91	FY-92	FY-93	
Projects:								
Site Acquisition			$12,500					$12,500
Development			1,094					1,094
Construction				$15,890				15,890
Special Construction				300				300
One Time Costs:								
Supervision				2,000	$2,000	$1,125		5,125
Commo & SY Equip					3,626			3,626
Furniture/Furnishings Initial					1,074			1,074
TOTAL PROJECT COSTS			13,594	18,190	6,700	1,125		39,609

FBO/SY-142

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1989 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	INDONESIA, Jakarta	Total: $ 55,893

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	70	74	91	100	161	174
Other USG	188	202	174	195	362	397
Total USG	258	276	265	295	523	571

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	134	93
Proposed facilities	154	100
Difference	20	7

Narrative Description:

The current Chancery in Jakarta was built in 1958 and contained 32,000 gross square feet. Since then, the post has grown until it now consists of sixteen buildings totaling over 100,000 gross square feet. These buildings are scattered around the main Chancery compound, leased areas adjacent to it, a warehouse facility several miles away, and the Library of Congress offices which are in another part of the downtown area. None of these buildings are acceptable under today's security standards.

The Department plans to construct a new Chancery office building in 1989 containing approximately 154,100 gross square feet on a site to be acquired. The new design will allow consolidation of the mission on one compound and will meet all of the new security standards as well as accomodate the projected increase in personnel. The project will incorporate current security requirements in its design.

Acquisition and Maintenance of Buildings Abroad (Regular)

Indonesia, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-89	FY-90	FY-91	FY-92	FY-93	Total Funds Required
Projects:								
Site Acquisition			$10,000					$10,000
Development			1,510					1,510
Construction				$24,325				24,325
Special Construction				10,419				10,419
One Time Costs:								
Supervision				222	$222	$111		555
Commo & SY Equip				2,167	2,167			4,334
Furniture & Furnishings					4,750			4,750
TOTAL PROJECT COSTS			11,510	37,133	7,139	111		55,893

FBO/SY-144

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1989 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	KOREA, Seoul	Total: $ 48,414

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	64	64	159	159	223	223
Other USG	80	80	132	132	212	212
Total USG	144	144	211	211	435	435

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	202	135
Proposed facilities	223	149
Difference	21	14

Narrative Description:

The Embassy in Seoul is faced with significant potential security threats. The Embassy currently occupies several office buildings in downtown Seoul. The Chancery was constructed by AID with the understanding that it would revert to the Republic of Korea when our economic assistance program terminated. Our AID program in Korea terminated in 1976 and we closed the AID office in 1980. According to the agreement, the building should have been turned over to the ROKG at that time. The ROKG has, however, allowed the USG to use the building at no cost until we could construct a new facility.

The current Chancery does not meet minimum security standards. It is located in the downtown area of Seoul fronting a major thoroughfare and cannot meet the 100 foot setback requirement. The building provides inadequate space for our current office requirements and is not adequate to house all USG Agencies. Currently USIA and the Agricultural Offices are housed outside of the present Chancery.

We are requesting funding to construct a new chancery of 223,000 sq. ft. in 1989 to house employees of all U.S. government agencies.

Acquisition and Maintenance of Buildings Abroad (Regular)

Seoul, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY-89	FY-90	FY-91	FY-92	FY-93	
Projects:								
Site Acquisition								
Development	10/84	$1,700						$ 1,700
Construction			$28,735					28,735
Special Construction			8,683					8,683
One time Costs:								
Supervision			600	$ 600	$600			1,800
Commo & SY Equip				4,142				4,142
Furniture & Furnishings				5,054				5,054
SUBTOTAL PROJECT COSTS		1,700	38,018	9,796	600			50,114
Less: Funds Provided To Date								-1,700
TOTAL FUNDS REQUIRED								48,414

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1989 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	SWITZERLAND, Bern	Total: $ 51,341

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	30	30	31	31	61	61
Other USG	21	21	12	12	33	33
Total USG	51	51	43	43	94	94

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	33	21
Proposed facilities	40	26
Difference	7	5

Narrative Description:

The Chancery is a Government owned building in a residential area at the end of a narrow street with entry to the compound through one main gate. The embassy borders on the sidewalk, and the configuration of the building makes security very difficult to enforce. Due to the age of the building, only minimal security measures are possible. It has no setback from any of the four sides.

The Department proposes to construct a 40,000 sq ft building in 1989 on a suitable site which will meet all required security guidelines.

Acquisition and Maintenance of Buildings Abroad (Regular)

Bern, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY-89	FY-90	FY-91	FY-92	FY-93	
Projects:								
Site Acquisition			$15,842					$15,842
Development			1,113					1,113
Construction				$16,990				16,990
Special Construction				5,326				5,326
One Time Costs:								
Commo & SY Equip					$4,507			4,507
Supervision				2,200	2,200	$2,243		6,643
Furniture/Furnishings					920			920
TOTAL PROJECT COSTS			16,955	24,516	7,627	2,243		51,341

FBO/SY-148

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1989 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	NETHERLANDS, The Hague	Total: $ 51,429

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	49	49	30	30	79	79
Other USG	42	42	12	12	54	54
Total USG	91	91	42	42	133	133

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	61	56
Proposed facilities	67	60
Difference	6	4

Narrative Description:

The Embassy in the Hague is faced with significant potential security threats including the possibility of technical penetration efforts by hostile intelligence services. The present Chancery does not have proper setbacks; three sides of it border directly onto sidewalks adjacent to streets. The fourth side has a common wall with a private house. The common wall provides an opportunity for technical penetration.

The Department proposes to construct a 66,500 square foot chancery in 1989 which will meet security specifications.

Acquisition and Maintenance of Buildings Abroad (Regular)

The Hague, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY-89	FY-90	FY-91	FY-92	FY-93	
Projects:								
Site Acquisition			$11,000					$11,000
Development			1,382					1,382
Construction				$26,509				26,509
Special Construction				500				500
One Time Costs:								
Commo & SY Equip					$3,659			3,659
Supervision				2,218	2,218	$2,218		6,654
Furniture/Furnishings					1,725			1,725
TOTAL PROJECT COSTS			12,382	29,227	5,602	2,218		51,429

FBO/SY-150

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1989 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CONSULATE OFFICE BUILDING	GREECE, Thessaloniki	Total: $ 25,117

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	6	8	16	19	22	27
Other USG	1	3	6	8	7	11
Total USG	7	11	22	27	29	38

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing facilities	23	16
Proposed facilities	23	16
Difference	--	--

Narrative Description:

The Consulate General at Thessaloniki is faced with significant potential security threats including the possibility of technical penetration efforts by hostile inteligence services. The present Consulate building has minimal setback on the front and a busy thoroughfare on another side with no setback at all. A third side is contiguous to an apartment building.

In addition to its security vulnerability, Thessaloniki it is situated in an active seismic area. In 1979, the Consulate was damaged by an earthquake that measured over 7 on the Richter scale. A study done by a private firm recommended that the building either have major structural strengthening for the safety of post personnel in the event of another earthquake or move out of the building into a new facility that meets seismic standards for this earthquake prone area.

Our program calls for the construction of a new office building with 22,625 square feet. The new building will meet all current security and seismic standards. The projected space footage includes requirements for anticipated personnel increase in State programs.

FBO/SY-151

Acquisition and Maintenance of Buildings Abroad (Regular)

Thessaloniki, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY-89	FY-90	FY-91	FY-92	FY-93	
Projects:								
Site Acquisition			$5,500					$5,500
Development			892					892
Construction				$13,380				13,380
Special Construction				300				300
One Time Costs:								
Commo & SY Equip					$1,220			1,220
Supervision				1,000	1,000	$1,250		3,250
Furniture/Furnishings					575			575
TOTAL PROJECT COSTS			6,392	14,680	2,795	1,250		25,117

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1989 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	MALTA, Valletta	Total: $24,798

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	11	11	11	11	22	22
Other USG	1	1	4	4	5	5
Total USG	12	12	15	15	27	27

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	12	9
Proposed facilities	12	9
Difference	--	--

Narrative Description:

The Embassy in Valletta is faced with significant potential security threats. The long-term leased Chancery is physically located directly on the street. It does not meet current security setback requirements, and shares a wall with another building.

A new Chancery is proposed in 1989 with 12,300 sq ft to house all U.S. government personnel presently assigned to Valletta.

FBO/SY-153

Acquisition and Maintenance of Buildings Abroad (Regular)

Valletta, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-89	FY-90	FY-91	FY-92	FY-93	Total Funds Required
Projects:								
Site Acquisition			$7,000					$7,000
Development			949					949
Construction				$10,845				10,845
Special Construction				641				641
One Time Costs:								
Commo & SY Equip					$1,579			1,579
Supervision				1,070	1,070	$1,069		3,209
Furniture/Furnishings					575			575
TOTAL PROJECT COSTS			7,949	12,556	3,224	1,069		24,798

FBO/SY-154

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1990 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	BURKINA FASO, Ouagadougou	TOTAL: $ 18,666

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	18	18	41	41	59	59
Other USG	0	0	0	0	0	0
Total USG	18	18	41	41	59	59

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	24	15
Proposed facilities	28	18
Difference	4	3

Narrative Description:

The current chancery is a short-term leased building with various annexes located elsewhere. Due to these circumstances, necessary security measures cannot be instituted. Additionally, the current building is crowded and in poor condition.

A new chancery of 28,000 square feet costing an estimated $18,666,000 is proposed for 1990.

FBO/SY-155

Acquisition and Maintenance of Buildings Abroad (Regular)

Burkina Faso, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY-90	FY-91	FY-92	FY-93	FY-94	
Projects:								
Site Acquisition			$750					$750
Development			784					784
Construction				$10,719				10,719
Special Construction				300				300
One Time Costs:								
Supervision				415	$1,000	$1,000		2,415
Furniture/Furnishings					191			191
Commo & SY					3,507			3,507
TOTAL PROJECT COSTS			1,634	11,034	4,698	1,000		18,666

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1990 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CONSULATE	SOUTH AFRICA, Cape Town	Total: $ 26,981

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	18	18	26	26	44	44
Other USG	0	0	0	0	0	0
Total USG	18	18	26	26	44	44

	Project Area	
	Gross square feet	Net Usable
	(in thousands)	
Existing facilities	19	12
Proposed facilities	22	14
Difference	3	2

Narrative Description:

Because of the volatile political situation in South Africa, the Consulate General of Cape Town faces severe security problems. The current short-term leased quarters are too small and shared with others; therefore, necessary security measures cannot be implemented. Cape Town also serves as the Embassy for six months of the year.

The current building is a high fire risk.

A new Consulate General building of 22,000 square feet costing $26,981,000 is proposed for 1990.

Acquisition and Maintenance of Buildings Abroad (Regular)

Capetown, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY-90	FY-91	FY-92	FY-93	FY-94	
Projects:								
Site Acquisition			$4,000					$4,000
Development			790					790
Construction				$11,987				11,987
Special Construction				2,537				2,537
One Time Costs:								
Supervision				1,163	$1,164	$1,164		3,491
Furniture/Furnishings					690			690
Commo & SY					3,486			3,486
TOTAL PROJECT COSTS			4,790	15,687	5,340	1,164		26,981

FBO/SY-158

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
1990 Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	LUXEMBOURG, Luxembourg	Total: $ 17,915

Post Profile:

Chancery/Annex Occupancy:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	12	13	12	13	24	26
Other USG						
Total USG	12	13	12	13	24	26

	Project Area	
	Gross square feet (in thousands)	Net Usable
Existing Facility	13	11
Proposed facility	16	14
Difference	3	3

Narrative Description:

The Embassy in Luxembourg is faced with significant potential security threats. The Chancery is a small building on a 0.60 acre site situated on a side street approximately a mile from the center of the city. It shares the site with the Ambassador's Residence. Originally built as a house, it was converted to a Chancery when purchased in 1948. The Chancery is too small and does not meet current security standards; it is situated on the street and does not offer any viable possibilities to strengthen security. The building has been slightly enlarged during the years by turning all the attic and basement into office space. Physical and aesthetic restrictions prevent more than token vertical construction.

The present Chancery is very vulnerable to attack by such conventional threats as car bomb or mob action. In addition to the physical threats, the condition of the current building, space requirements and fire and life safety needs mandate relocation of the compound.

The Department proposes to acquire a three acre lot for a new compound consisting of a new Chancery and a Marines Residence, thus providing us with improved working space and manageable security conditions.

Acquisition and Maintenance of Buildings Abroad (Regular)

Luxembourg, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY-90	FY-91	FY-92	FY-93	FY-94	Total Funds Required
Projects:								
Site Acquisition			$3,000					$3,000
Development			670					670
Construction				$8,842				8,842
Special Construction				897				897
One Time Costs:								
SY/OC Equip					$3,386			3,386
Supervision				270	250			520
Furniture/Furnishings					600			600
SUBTOTAL PROJECT COSTS			3,670	10,009	4,236			17,915

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 SECURITY SUPPLEMENTAL ESTIMATES
Renovation and Relocation Project Costs

(dollars in thousands)

Renovation and Relocation Projects at 24 posts, $140,577,000 in FY 1988 - 90:

Location	Pg	Site & Building	Rehab Design	Construction		Furn/ Furnish	Commo. & Security Equipment	Admin	Total
				Regular	Special				
FY 1988:									
AF:									
Port Louis	162	$ 450	$ 142	$ 1,841	--	$ 520	$1,124	$ 606	$4,683
ARA:									
Barranqu'la	162	880	122	1,850	--	273	1,559	696	5,380
Guadalajara	162	2,200	172	2,407	--	1,337	1,215	1,090	8,421
Merida	163	600	108	1,594	--	378	1,215	579	4,474
Mazatlan	163	600	103	1,540	--	324	1,124	549	4,240
EAP:									
Cebu	163	1,200	113	1,668	--	621	1,215	716	5,533
EUR:									
Adana	164	500	199	2,844	--	311	1,215	753	5,822
Antwerp	164	1,000	90	1,348	--	100	1,215	558	4,311
Belfast	164	1,300	87	1,409	--	173	435	506	3,910
Bilbao	165	900	84	1,326	--	345	435	459	3,549
Genoa	165	1,400	115	1,717	--	518	526	635	4,911
Leningrad	165	--	--	--	17,412	--	--	2,588	20,000
Lyon	165	1,135	90	1,378	--	403	435	511	3,952
Marseille	166	1,135	91	1,388	--	460	1,124	624	4,822
Zurich	166	1,800	122	1,784	--	690	3,233	1,134	8,763
NEA:									
Dubai	166	2,000	150	2,120	--	450	1,350	902	6,972
		------	-----	------	------	-----	------	------	------
Total, 1988		17,100	1,788	26,214	17,412	6,903	17,420	12,906	99,743
FY 1989:									
AF:									
Douala	167	800	122	1,770	--	420	526	541	4,179
Victoria	167	975	148	1,850	--	515	1,124	685	5,297
		-----	---	-----	--	---	-----	-----	-----
Total, 1989		1,775	270	3,620	--	935	1,650	1,226	9,476

Acquisition and Maintenance of
Buildings Abroad (Regular)

1986 SECURITY SUPPLEMENTAL ESTIMATES
Renovation and Relocation Project Costs

(dollars in thousands)

Location	Pg	Site & Building	Rehab Design	Construction		Furn/ Furnish	Commo. & Security Equipment	Admin	Total
				Regular	Special				
FY 1990:									
ARA:									
Maracaibo	167	$1,100	$ 97	$1,540	--	$222	$435	$504	$3,898
Matamoros	168	400	90	1,370	--	162	1,215	481	3,718
EUR:									
Amsterdam	169	2,000	119	1,841	--	575	1,124	841	6,500
Barcelona	169	1,500	90	1,403	--	345	1,124	663	5,125
Florence	169	2,500	90	1,398	--	230	435	692	5,345
Montreal	169	2,500	87	2,162	--	621	526	876	6,772
Total, 1990		10,000	573	9,714	--	2,155	4,859	4,057	31,358
Total		28,875	2,631	39,548	17,412	9,993	23,929	18,189	140,577

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 SECURITY SUPPLEMENTAL ESTIMATES
Renovation and Relocation Projects

Justification

FY 1988

AFRICA:

Relocation and Renovation of Office Building Chancery - Port Louis, Mauritius $4,683,000. The current short-term leased chancery is a floor of the principal office building downtown comprising 13,914 sq. ft. The current annual rent is $124,250. Because it is in a shared building, necessary security measures cannot be implemented. Also, the current building is a moderate fire risk. It is believed that an independent villa with reasonable setbacks can be obtained in a nearby residential area. Such a villa could be rehabilitated and strengthened to provide secure offices for 12 American and 12 Foreign Service National (FSN) employees.

--	Building Purchase	$ 450,000
--	Development	142,000
--	Renovation	4,091,000

INTER-AMERICAN REPUBLICS:

Relocation and Renovation of Consulate Office Building - Barranquilla, Colombia $5,380,000. Barranquilla is a post faced with a high security threat. The present Consulate is in a short-term leased 11,350 sq. ft. building occupying one corner of a two story shopping plaza. The current annual rent for the Consulate is $114,000. The building has no setbacks, shares occupancy, and has common walls with Colombian business interests. To counter these severe security deficiencies, the Department intends to purchase a 12,000 square foot building that has the minimum security setbacks and, renovate and convert it into a Consulate. It will house the 16 member staff consisting of 8 American and 8 FSN employees.

--	Building Purchase	$ 800,000
--	Development	122,000
--	Renovation	4,458,000

Relocation and Renovation of Consulate Office Building - Guadalajara, Mexico $8,421,000. Guadalajara is a high threat post. The current Consulate General is located in a long-term leased building which does not meet current security standards. The building is 32,639 sq. ft. and rents for $290,000 per year. The setback is only six to fifteen feet. Office space is inadequate due to the presence of several other agencies (USIA, DEA, INS and Foreign Commercial Service) coupled with the heavy Consular workload in the Visa, Federal Benefits and American Citizens Services Offices. The requested funds will relocate and renovate a new facility to meet current security standards for 24 American and 44 FSN employees.

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 SECURITY SUPPLEMENTAL ESTIMATES
Renovation and Relocation Projects

Justification

Guadalajara, Cont'd

--	Building Purchase	$ 2,200,000
--	Development	172,000
--	Renovation	6,049,000

Relocation and Renovation of Consulate Office Building - Merida, Mexico $4,474,000. The Consulate at Merida is faced with significant potential security threats. The Consulate is in a long-term leased building which does not meet current security standards. The building is 26 years old and has 13,896 sq. ft. with an annual rent of $20,000. The setback on the front is 20 feet from the curb. The rear setback is six feet from a hotel parking lot. The requested funds will relocate and renovate a new facility to meet current security standards for 8 American and 7 FSN employees.

--	Building Purchase	$ 600,000
--	Development	108,000
--	Renovation	3,766,000

Relocation and Renovation of Consulate Office Building - Mazatlan, Mexico $4,240,000. Mazatlan is a post faced with a severe security threat. The current Consulate is in a long-term leased building which does not meet current security standards. The building is 10 years old, has 5,715 sq. ft. and rents for $19,000 per year. The setbacks from the perimeter are well below current standards. The requested funds will relocate and renovate a building to meet current security standards for 10 American and 5 FSN employees.

--	Building Purchase	$ 600,000
--	Development	103,000
--	Renovation	3,537,000

EAST ASIA AND PACIFIC

Relocation of Consulate Office Building - Cebu, Philippines $5,533,000. The Consulate at Cebu is faced with a severe terrorist threat. The present short-term leased Consulate has 2,500 square feet of office space on the third floor of a commercial Philippine office building in Cebu. The current annual rent is $34,000. It has a wooden entry door and one local security guard. There is not an adequate classified storage vault in the Consulate because the building could not support the weight of a true vault. Currently, classified material is stored in a small room with a steel clad wooden door. The initial lease was signed in 1959. USIA is in a separate public building with very open access. The present USIA facility has offices on the first floor and the library and auditorium on the second floor. Neither building meets any of the current security standards. The requested funds will relocate and renovate a new Consulate building to meet current security standards for 5 American and 13 FSN employees.

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 SECURITY SUPPLEMENTAL ESTIMATES

Renovation and Relocation Projects

Justification

Cebu, Cont'd

-- Site Acquisition	$ 1,200,000
-- Development	113,000
-- Construction	4,220,000

EUROPE

Relocation of Consulate Office Building - Adana, Turkey $5,822,000. The Consulate at Adana is faced with a severe terrorist threat. The present 2,770 sq. ft. short-term leased building housing the Consulate and the principal officer's residence is poorly located on a main artery in central Adana and does not have required security setbacks. The current annual rent is $21,718. The requested funds will relocate and renovate an office building to meet current security standards for 3 American and 5 FSN employees.

-- Site Acquisition	$ 500,000
-- Development	199,000
-- Construction	5,123,000

Relocation of Consulate Office Building - Antwerp, Belgium $4,311,000. The Consulate General in Antwerp is faced with significant security threats. The present short-term leased Consulate office space has 15,192 sq. ft. and is located in a commercial office building in the center of Antwerp. The annual rent is $45,137. It cannot be made sufficiently secure against terrorist actions. The requested funds will relocate and renovate an office building to meet current security standards for 7 American and 13 FSN employees.

-- Site Acquisition	$ 1,000,000
-- Development	90,000
-- Construction	3,221,000

Relocation of Consulate Office Building - Belfast, Northern Ireland $3,910,000. The Consulate General at Belfast is faced with significant security threats because of the long-term situation of dangerous political unrest. The present short-term leased office space has 3,000 sq. ft., is located on one of the major streets in Belfast, and is impossible to upgrade to current standards. The current annual rent is $24,268. The requested funds will relocate and renovate an office building to meet current security standards for 2 American and 11 FSN employees.

-- Site Acquisition	$ 1,300,000
-- Development	87,000
-- Construction	2,523,000

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 SECURITY SUPPLEMENTAL ESTIMATES
Renovation and Relocation Projects

Justification

Relocation of Consulate Office Building - Bilbao, Spain $3,549,000. The Consulate at Bilbao is faced with significant security threats. The short-term leased office space of 3,283 sq. ft. is the third floor of an office building which sits directly on the corner of two streets near the railroad tracks. The current annual rent is $13,952. This location cannot meet current security standards. The requested funds will relocate and renovate an office building to meet current security standards for 3 American and 5 FSN employees.

--	Site Acquisition	$ 900,000
--	Development	84,000
--	Construction	2,565,000

Relocation of Consulate Office Building - Genoa, Italy $4,911,000. The Consulate General at Genoa is faced with significant security threats. The present Consulate is a 10,600 sq. ft. short-term leased building. It is located directly on the street and does not meet current security setback requirements. The building is also shared with the lessor. The current annual rent is $45,714. The requested funds will relocate and renovate an office building to meet current security standards for 5 American and 22 FSN employees.

--	Site Acquisition	$ 1,400,000
--	Development	115,000
--	Construction	3,396,000

Consulate Office Building - Leningrad, U.S.S.R. $20,000,000. The requested funds will correct current security deficiencies, particularly concerning technical penetration efforts by hostile intelligence services.

--	Construction	$20,000,000

Relocation of Consulate Office Building - Lyon, France $3,952,000. The Consulate General at Lyon is faced with significant security threats. The present 5,820 sq. ft. short-term leased Consulate office consists of the fourth and fifth floors in an eight story building in the center of Lyon. The current annual rent is $22,700. Some security modifications have been made to protect against terrorist threats. However, the present location cannot be changed to meet current security standards. The requested funds will relocate and renovate an office building to meet current security standards for 2 American and 5 FSN employees.

--	Site Acquisition	$ 1,135,000
--	Development	90,000
--	Construction	2,727,000

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 SECURITY SUPPLEMENTAL ESTIMATES
Renovation and Relocation Projects

Justification

Relocation of Consulate Office Building - Marseille, France $4,822,000. The Consulate General at Marseille is faced with significant security threats. The present 30 year old U.S. government-owned Consulate Building is on a .04 acre site in central Marseille and lacks proper security setbacks from the busy streets which surround it. The 14,456 sq. ft. building cannot be made sufficiently secure to prevent terrorist actions. The requested funds will relocate and renovate an office building to meet current security standards for 4 American and 8 FSN employees.

-- Site Acquisition	$ 1,135,000
-- Development	91,000
-- Construction	3,596,000

Relocation of Consulate Office Building - Zurich, Switzerland $8,763,000. .The present short-term leased, 15,751 sq. ft. Consulate General office space is on two floors in a commercial office building in central Zurich. The current annual rent is $134,948. The office space cannot be made sufficiently secure to comply with current security standards. The requested funds will relocate and renovate an office building to meet current security standards for 8 American and 10 FSN employees.

-- Site Acquisition	$ 1,800,000
-- Development	122,000
-- Construction	6,841,000

NORTH AFRICA, NEAR EAST AND SOUTH ASIA

Relocation of Consulate Office Building - Dubai, United Arab Emirates $6,972,000. The post at Dubai is faced with a severe terrorist threat. The U.S. Government is leasing the 21st floor of a downtown office building (8,000 sq. ft.) as a Foreign Commercial Service/Consular Branch Office in Dubai, United Arab Emirates. The current annual rent is $81,500. Present offices are on a floor that had been shared with other tenants and building management insists on twenty-four hour access to the entire office space, thereby precluding installation of security equipment and a post communication center. The structure has balconies on each floor which cannot be grilled for security purposes. Fire exit is a winding stairs, and all floors have free access to the stairwell. The requested funds will relocate and renovate an office building to meet current security standards for 10 American and 25 FSN employees.

-- Site Acquisition	$ 2,000,000
-- Development	150,000
-- Construction	4,822,000

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 SECURITY SUPPLEMENTAL ESTIMATES
Renovation and Relocation Projects

Justification

1989

AFRICA

Relocation and Renovation of Consulate Office Building - Douala, Cameroon $4,179,000. The current office is in a two-story, lightly constructed building of 2,530 square feet. The current annual rent is $14,448. Setbacks of the building do not meet current security standards, and a more substantial building sufficient setback must be obtained. The requested funds will relocate and renovate an office building to meet current security standards for 5 American and 10 FSN employees.

--	Building Purchase	$ 800,000
--	Development	122,000
--	Renovation	3,257,000

Relocation and Renovation of Office Building Chancery - Victoria, Seychelles $5,297,000. The Embassy in Victoria is faced with significant security threats. The current chancery is a short-term leased building of 5,343 sq. ft. shared with local commercial offices. The annual rent is $63,680. Sharing this building with local offices prevents the post from instituting necessary security measures. Also, the current building is a moderate fire risk. It is believed possible to obtain an independent villa with sufficient grounds to provide a reasonable setback. Such a villa can be rehabilitated and strengthened to provide secure offices for 13 American and 5 FSN employees.

--	Building Purchase	$ 975,000
--	Development	148,000
--	Renovation	4,174,000

FY 1990

INTER-AMERICAN REPUBLICS

Relocation and Renovation of Consulate Office Building - Maracaibo, Venezuela $3,898,000. The Consulate is presently in a short-term leased 7,163 sq. ft. building. It cannot be made sufficiently secure since our Consulate is on the top floor of a three story Venezuelan bank building that sits directly on the street. The current annual rent is $25,800. The requested funds will relocate and renovate an office building to meet current security standards for 4 American and 5 FSN employees.

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 SECURITY SUPPLEMENTAL ESTIMATES
Renovation and Relocation Projects

Justification

Maracaibo, Cont'd

--	Building Purchase	$ 1,100,000
--	Development	97,000
--	Renovation	2,701,000

Relocation and Renovation of Consulate Office Building - Matamoros, Mexico $3,718,000. The Consulate is presently in a long-term leased office building which does not meet current security standards. The primary problem is that setbacks are not sufficient. The building is 24 years old, has 3,880 sq. ft. and rents for $75,000 per year. The setbacks from the perimeter do not meet the current standard. The requested funds will relocate and renovate an office building to meet current security standards for 2 American and 5 FSN employees.

--	Building Purchase	$ 400,000
--	Development	90,000
--	Renovation	3,228,000

EUROPE AND CANADA

Relocation of Consulate Office Building - Amsterdam, The Netherlands $6,500,000. The Consulate General in Amsterdam is faced with significant security threats. The present government-owned building is on a major street, and within walking distance of two major tourist attractions. This structure is 36 years old. The security setback is insufficient. The requested funds will relocate and renovate an office building to meet current security standards for 5 American and 10 FSN employees.

--	Site Acquisition	$ 2,000,000
--	Development	119,000
--	Construction	4,381,000

Relocation of Consulate Office Building - Barcelona, Spain $5,125,000. The Consulate General in Barcelona is faced with significant security threats. The present short-term leased office space of 12,198 sq. ft. is on the fourth floor of a building which faces two streets. It is also close to two railway stations and the port of Barcelona. The current annual rent is $31,000. The current arrangement with local tenants makes it impossible to provide adequate security standards. The requested funds will relocate and renovate an office building to meet current security standards for 10 American and 20 FSN employees.

--	Site Acquisition	$ 1,500,000
--	Development	90,000
--	Construction	3,535,000

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 SECURITY SUPPLEMENTAL ESTIMATES

Renovation and Relocation Projects

Justification

Relocation of Consulate Office Building - Florence, Italy $5,345,000. The present Consulate General is a U.S. Government-owned building, 38 years old. Although free-standing, the building is located directly on the street and does not meet current security setback requirements. The building has 25,533 sq. ft. The requested funds will relocate and renovate an office building to meet current security standards for 7 American and 31 FSN employees.

--	Site Acquisition	$ 2,500,000
--	Development	90,000
--	Construction	2,755,000

Relocation of Consulate Office Building - Montreal, Canada $6,772,000. The Consulate General now has short-term leased space of 25,700 sq. ft. on the ground floor and fifth floor of an office building. The ground floor is directly on the sidewalk and cannot be made sufficiently secure against terrorist actions. The current annual rent is $295,200. The requested funds will relocate and renovate an office building to meet current security standards for 17 American and 33 FSN employees.

--	Site Acquisition	$ 2,500,000
--	Development	87,000
--	Construction	4,185,000

FBO/SY-170

Acquisition and Maintenance of Buildings Abroad (Regular)

Detail of Administrative Support

(dollars in thousands)

These costs are pro-rated over the 75 construction and 24 renovation and relocation projects in the capital program.

Contractor Payments	$129,526
Program Management Expenses:	
Administrative Support	18,851
Computers	1,136
Local Personnel Support	9,031
Total Program Management Expenses	29,018
General Administrative Requirements:	
Office Rent	17,488
Moving Expenses	100
Communications Center Equipment	1,760
Telephone System	1,291
Computer System	15,613
Other Office Equipment	580
Office Furniture and Furnishings	6,458
Travel	43,059
Utilities (not included in rent)	2,319
Misc. Operating Expenses	27,547
Upgrade the Real Estate Management System (REMS)	2,800
Property management	13,461
Total General Administrative Requirements	132,476
Grand Total, Administrative Support	291,020

Administrative expenses listed above are included in the project costs as follows:

The 75 construction projects	$272,831
The 24 relocation and renovation projects	18,189
Total	291,020

Acquisition and Maintenance of Buildings Abroad (Regular)

Permanent American Positions, 177 Americans and $4,769,000 in FY 1986 and 177 Americans and $32,018,000 in FY 1986-90:

These new construction projects will be undertaken when a number of other high priority programs, such as fire safety, communications and energy retrofits, and public access controls/safehavens construction, are already adding considerably to the Office of Foreign Buildings workload. To support this program an additional 177 positions will be required (162 domestic and 15 overseas). Five year estimated costs for salaries and benefits are:

(Dollars in Thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
	$4,769	$6,638	$6,904	$7,180	$7,466	$32,957

Justification for these additional positions follows.

Domestic Project Support, 162 positions and $3,420,000 in FY 1986 and $28,591,000 in FY 1986-90:

The Office of the Director (7 positions) is the central management office in the Office of Foreign Buildings. With the massive increase in resources and activities included in this request, this office will require additional personnel to monitor progress on each project. The required personnel are as follows:

-- Three inspectors (FS-01, FS-02 and FS-03), two program analysts (GS-09 and GS-05) and two secretaries (GS-06 and GS-05) are required to assist in monitoring the quality of work on each project and to report to the Director, the responsible management officials and the Congress on any deficiencies in the program.

The Buildings Design and Construction Office (106 positions) coordinates and supervises design and construction activities associated with major projects. The additional workload generated by this program will place a significant burden on this office. The new positions requested below will allow this office to exert the necessary supervision, coordination and documentation required for these large and complex projects.

-- Six positions are requested for the Buildings Design and Construction Group. The Technical Director will require two assistants (GS-13 and GS-11) and two support positions (GS-05 and GS-04). These positions will give the Technical Director an adequate staff to supervise and coordinate project problems and draft all regular progress reports to the Congress and the Department. Additionally, two architect/engineer positions (GS-13 and GS-12) will examine plans, specifications and proposed materials to be used in projects in order to identify and reduce excessive life cycle costs.

Acquisition and Maintenance of Buildings Abroad (Regular)

-- Two positions are requested specifically for the Director of Design. The Director of Design will require a program assistant (GS-09) and a clerical assistant (GS-05) to maintain proper documentation on the technical design work associated with each project. These positions are needed to assure adequate records on design changes and to provide assistance for architects and engineers in preparing detailed reports on the significance and technical reasons for design changes.

-- Three positions are requested for maintaining the Department's domestic repository of technical information on all overseas real property assets. All technical drawings, building plans and specifications, contract documents and relevant correspondence and memoranda for each facility must be retained, cataloged, updated and preserved. This is necessary to maintain a comprehensive, current data base in Washington for the use of architects, engineers and other construction and security specialists dealing with these properties, as well as for responding to special security-related activities. This repository is vital to the effective management of our overseas real property inventory, particularly in saving the time and expense needed for an on-site survey should this data be lacking during a construction or renovation project. A manager (GS-13) and a secretary (GS-05) are required for this purpose. A data processing equipment control operator (GS-07) will be involved in converting the Building Plans Library to an automated format for rapid filing and retrieval of these documents.

-- Two positions will be required for the successful implementation of the Computer Aided Design (CAD) software and methodology needed to implement effectively the architectural and engineering design changes for the identified projects. Although the regular FBO equipment budget has sufficient funds for the CAD computer and software procurement, the increased demand for this capability generated by this request requires one technician (GS-12) and one draftsman (GS-07) to operate this equipment at a consistently high performance level.

-- One specifications engineer (GS-12) will be required for the higher level of activity generated by these new projects. The engineer requested will be specially trained to read and review building specifications and insure that the drawings and specifications are complete accurate descriptions of the most cost effective methods to be used. This special engineer will generally improve the quality of the engineering specifications and allow greater validity of the specifications in disputes and lawsuits with contractors.

-- Six domestic-based security officers are required for technical support during site acquisition, project design and final construction. A senior security officer (FS-01) is needed to oversee all security requirements for the projects. Two physical security supervisors (GS-14) and two physical security officers (GS-13) are needed to assist in the survey of overseas locations; review architectural and engineering drawings to ensure realistic compliance with existing physical security standards; and coordinate with security elements of the Department, other foreign affairs agencies and the intelligence community. A physical security training coordinator (FS-02), will be required for training contractor personnel to meet the Department's physical security standards and the technical requirements for meeting physical security construction.

-- Seven domestic-based communications positions are required for technical support during site acquisition, project design and final construction. A senior communications management officer (FS-02) and a program management communications officer (FS-02) are needed to oversee all communications requirements for the projects. Two communications engineering officers (GS-13) and one communications electronics officer (GS-13) are required for technical expertise on the survey, design, engineering and installation of project communications centers. Two support positions (GS-05) will be needed for the secretarial and clerical assistance for the technical and management positions.

-- Seven domestic-based information systems positions are required for technical support during the start-up period and for the project design and final construction. A senior systems management supervisor (GS-13) and four computer analysts (GS-12) are needed to oversee all computer system hardware and software requirements. These positions, in conjunction with two security systems analysts (GS-12), will oversee and provide technical advice on the installation of computer systems at the various project construction locations.

-- Four positions are requested specifically for the Director of Construction. The Director of Construction will require an assistant (GS-09) and a secretary (GS-05) to maintain adequate documentation on the technical construction problems associated with each project. These positions are needed to assure adequate record keeping and filing on construction problems and to provide a capability for accurately reporting information on construction activities. In addition, this office requires a construction engineer-trainee (FS-04) and a support position (GS-04) to supervise some of the smaller construction projects and provide back-up support to the overseas activities in peak construction periods and during emergencies.

-- Thirty-five positions are required to augment the construction oversight capabilities of the five Washington-based field offices. With the significant increase in project construction it is necessary to establish

Acquisition and Maintenance of Buildings Abroad (Regular)

a permanent branch chief (FS-01) in the field office currently without one, one additional line officer (FS-02) for each of the five field offices, four assistant area branch chiefs (two FS-03 and two FS-04), and two secretaries (GS-5). In addition, twenty-three construction manager specialists (four FS-02, seventeen FS-03 and two FS-04) are required in such fields as high-tech concrete placement, sub-soils technology, and state-of-the-art environmental controls.

-- Twenty-one Assistant Project Managers (FS-04) will be needed to support the Washington based field office operations, conduct frequent visits to overseas posts, prepare construction progress documentation, and cover periods of intense activity. There are certain critical periods in the construction of a building when much tighter construction control is required. To effectively manage these periods for the requested projects, a significantly larger Washington based workforce is required. In addition, there have been occasions when it would have been to the advantage of the government to allow a contractor to go the multiple shift or around-tne-clock operation but a lack of on-hand personnel forced the Department to forego these opportunities. With the magnitude of the current construction activity, it is anticipated that several advantageous opportunities will arise during the construction process that cannot be augmented without these additional positions.

-- One Engineering Claims Technician (GS-13) and one support position (GS-05) are required for the Washington-based staff. Engineering Claims has become a sub-specialty of both engineering and law. Almost all construction projects develop disagreements between the contractor and the owner. These can usually be resolved through negotiation but occasionally result in legal actions or appeals. The services of a full time Engineering Claims Technician who is both a civil engineer and acquainted with construction law is required to develop evidence and assist the legal staff in defending the U.S. Government against future claims.

-- Two Coordinators (GS-12) for government furnished equipment will be required for the new projects. The quantity of Government Furnished Equipment (GFE) on the chancery projects has increased in recent years. As our buildings move from generic office buildings to special purpose structures the requirements for certain specific products that are not available outside of the USG (such as security doors, vault doors, ballistic-resistant windows, ADP equipment, Uninterruptible Power Supply [UPS], US standard electrical components, etc.) have increased. As a part of the contract the USG must commit itself to provide these items according to a set schedule. These coordinators would be responsible for assuring that the delivery schedules for all buildings are met and greatly reduce the numerous claims that have resulted in the past from the Department's failure to deliver the materials on time.

-- One Senior Pre-construction Requirement Engineer (GS-13) and two Pre-construction Requirements Engineers (GS-12) are required for the requested projects. These specialists examine plans and determine in advance what methods must be used. The contractor usually has these engineers on his staff but given the wide range of quality of contractors in the international marketplace, it would be in the interest of the USG to maintain a small staff to review all plans prior to construction to prevent claims and improve the quality of the end-product.

-- One Program Management Estimator/Scheduler (GS-12) is required for the increased activity under this construction program. This additional direct hire cost estimator/scheduler is required for immediate needs of this program and the long term activities of FBO. There would be seven contract estimators/schedulers for this program who would be released at the end of the program. However, this direct hire position is required for the existing FBO construction program and will be needed even after the projects are completed.

-- One computer analyst (GS-13) and three data input technicians (GS-07) are required for maintaining a computerized project tracking system (MAPPS) during the construction period. The computer analyst will be dedicated to the MAPPS project management software which FBO intends to use as the primary vehicle for maintaining control of the projects. When MAPPS or a successor program is fully operational and all projects are completely loaded this person would assist with other data processing applications in FBO. There would be three data input technicians working under the analyst who would see that the basic information is properly entered into the computer and that revisions are made on a daily basis. It is estimated that there will be several hundred major data networks and that daily data changes will be required on each active project.

The Operations Division (19 positions) deals with relations between FBO and the posts overseas. The speed and timing of these projects and the increased interaction and communications between the Department and the posts will necessitate additional staff in the five geographic areas. Additional officers and secretaries in each unit are being requested as well as management and liaison support for inter-agency coordination.

-- One Deputy Chief for Operations (FS-01) is required for these projects. The Chief of Operations requires a senior assistant to maintain control of the area officers and to deal with problems as they occur. Past experience shows the Chief of Operations or his deputy should conduct more field visits to assure that the tasks assigned to the Area Officers are being completed and that the posts are adequately maintaining new and existing properties.

Acquisition and Maintenance of Buildings Abroad (Regular)

-- Seven additional positions -- five Area Officers (FS-02) and two support positions (GS-05) -- are required for the operations area. The new Area Officers should be experienced Foreign Service Officers who have served overseas and are knowledgeable on conditions at the posts. Each will be assigned to one of the five geographic areas. Two secretarial positions will be required to support these positions.

-- Three area officers and one support position are required for liaison activities with other agencies. One senior foreign service officer (FS-01) and two foreign service officers (FS-02) will serve as liaison officers with the large U.S. Government agencies with overseas personnel. At this time only one area officer is assigned as a liaison with other agencies. Other agencies (such as USIA, AID, Commerce, Justice, DOD) which often outnumber the State Department personnel at posts overseas, have requirements that differ from those of the Department.

-- Seven positions are required for the interior design function to meet the growing workload resulting from the increase in projects. Three interior designers (one GS-13, one GS-12 and one GS-11) and four support staff and staff assistants (two GS-09 and two GS-05) will assist in these projects and in supervising the four contract interior designers.

Other Staffs (30 positions): the Foreign Buildings Office will have to augment its executive staff and some other support staffs to manage effectively the additional administrative workload.

-- One General Services Officer (GS-11) will be required. Among other general services responsibilities, this GSO would also serve as the Contract Officer's Technical Representative (COTR) on various contracts as well as approving official funds. These responsibilities cannot be delegated to a contractor.

-- Upgrading the FBO mailroom to a Communications Center will require one supervisor for Communications Center operations (GS-06) to supervise five contract Communications Center employees. This supervisor must be a cryptographic custodian in the upgraded communications center, a responsibility that cannot be delegated to a contract employee.

-- To manage the additional administrative workload in the Executive Office, one Deputy Foreign Service Executive Officer (FO-03) and one secretary (GS-04) will be needed.

-- The Personnel Office will require five additional positions to prepare new position descriptions, establish positions, recruit job applicants, hire applicants, and to provide additional ongoing personnel management support for the increased number of new personnel. The five positions include one supervisory Personnel Management Officer (GS-13), one Personnel Management Analyst (GS-11), two Personnel Technicians (GS-09) and one secretary (GS-05).

-- Two Senior Procurement Agents (GS-14, GS-13) will be required to supervise the eight contract procurement assistants and to approve all transactions. The Senior Procurement Agents would be responsible for purchasing government furnished equipment as well as other materials required for a project. Many items will not be purchased by the contractor such as the bill of materials for the communications centers, generators, and other specialty equipment.

-- In order to execute and manage the additional contracts under this program with increased vigilance, four Contract Specialists (one GS-15, one GS-14 and two GS-13) and two Construction Contract Specialists (one GS-13 and one GS-12) will be required.

-- The expertise of five Real Estate Specialists (one GS-15, one GS-14, two GS-13 and one GS-12) will be required for the purchase of sites for new facilities. In the past, FBO has not had any dedicated Real Estate Specialists to manage the intricate details in site selection and acquisition for its new facilities. The permanent addition of these positions will enable FBO to develop an efficient and effective site acquisition process.

-- The application of data processing in FBO should enable the budget office to manage the increased budget and accounting workload with one additional Budget Officer (GS-13) and one additional Budget Analyst (GS-12). The Budget Officer will develop future budgets and assist with reprogramming actions. During this program, these employees will be responsible for providing the financial accountability portion of all program status reports prepared for the Congress. In addition, the Budget Analyst will assist the Budget Officer in all phases of the budget cycle and to perform the financial and accounting analysis required for Departmental reports.

-- Five Preventative Maintenance Specialists (one GS-13 and four GS-12) will be needed to assist and train the GSO staffs in the maintenance and operation of the sophisticated systems to be installed in new buildings overseas. To maintain a state-of-the-art technology, experienced and well trained maintenance crews will be required for lesser developed localities.

-- One engineer (GS-14) must be hired early in the program to ensure that the proposed systems are compatible with the unique conditions of each local environment and to ensure that these systems can be properly maintained.

Acquisition and Maintenance of Buildings Abroad (Regular)

Overseas Project Support, 15 positions and $1,349,000 in FY 1986 and $4,366,000 in FY 1986-90:

Permanent foreign service personnel will be required to oversee contractor activities at project locations. Past experience demonstrates conclusively that it is virtually impossible to assure close supervision and quality control over major construction efforts without dedicated Project Managers available for on-site supervision.

-- Ten Project Managers (five FP-01 and five FP-02) and five Assistant Project Managers (FP-04) are required to oversee contractors at locations where local contractors may experience difficulties performing to Department standards and security requirements.

-- Administrative costs for acceleration of construction projects, $939,000. These resources will provide for the increased administrative costs associated with the ten construction projects included in the FY 1985 Security Supplemental and four construction projects included in the FY 1986 Budget, as well as increased scope and acceleration of ten projects originally proposed for construction in the FY 1987 Budget. The increases are not included in the individual capital project cost estimates.

Acquisition and Maintenance of Buildings Abroad (Regular)

AGENCY FOR INTERNATIONAL DEVELOPMENT
$14,807,000 in FY 1986 and $84,172,000 in FY 1986-90

Included in this supplemental request are the security enhancement requirements for the Agency for International Development. This Agency represents a unique problem for security personnel in that its programs, and therefore its staff and building requirements, can fluctuate dramatically over the course of a short time.

Because of their size (occasionally larger than the Embassy itself) and special relationships to local government activities, AID Missions can be expected to maintain separate locations. It is the mid-sized AID activities that represent the greatest security challenge. They are frequently housed in shared commercial space, inadequately prepared to cope with today's security requirements. In these instances co-location with the private sector will be unavoidable.

A summary of the financial requirements for the AID security program follows.

	FY 1986 ESTIMATE		FY 1986-1990	
	Pos.	Amount	Pos.	Amount
Capital Program Projects:				
I. New const. or relo. at 11 posts..	--	$13,432,000	--	$75,797,000
II. Rehab. of facilities at 40 posts.	--	1,375,000	--	8,375,000
Total..................................	--	14,807,000	--	84,172,000

Category I - New construction or relocation at 11 posts, $13,432,000 in FY 1986 and $75,797,000 in FY 1986-90:

In addressing this supplemental, AID has analyzed the threat against AID on a mission-by-mission basis. In addition, however, they have recognized two facts. First, that AID's programs can fluctuate significantly from year to year. Second, AID owns very little property to which it can make security improvements. Based upon the above, it is their belief that if threats become so grave as to warrant building or relocation costs which equal annual program costs, the Agency should simply close the mission.

They also recognize that AID is not the primary target abroad. They strongly believe, however, that as Embassies and Consulates become more fortified, AID's vulnerability will increase. Nevertheless our conclusion is that with adequate security, AID will be safer in a separate facility than if co-located with an embassy. Accordingly, separate AID facilities must be upgraded to the extent that they meet approved security standards.

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Acquisition and Maintenance of Buildings Abroad (Regular)

AID

AID's Office of Security has identified 51 major AID installations that do not meet minimum security standards. It is estimated that the total cost of new construction, land acquisition, and security improvements for these 51 facilities would approximate $250 million.

AID does not consider it appropriate to pursue a new construction program of this magnitude. AID has identified 11 of the 51 posts which are in need of immediate relocation. This could be accomplished for approximately $75,797,000. The missions selected for new construction follow.

Category I - New construction or relocation at 11 posts :

FY 1986	
San Salvador	$ 9,703
Khartoum	3,729
Subtotal, FY 1986	13,432
FY 1987	
Panama	$ 3,770
Nairobi	9,692
Guatemala	7,748
Rabat	3,076
Subtotal, FY 1987	24,286
FY 1988	
Rabat	$ 2,886
New Delhi	5,100
Bridgetown	5,519
Tegucigalpa (a)	3,553
Mogadishu	3,323
Bamako	2,698
Subtotal, FY 1988	23,079
FY 1989	
Bamako	$ 3,491
Manila	6,509
Subtotal, FY 1989	$10,000
FY 1990	
Manila	$ 5,000
Total	75,797

Acquisition and Maintenance of Buildings Abroad (Regular)

AID

(a) Full amount will not be required. AID anticipates that $15 million in trust funds will be available during FY 1988 to cover a portion of the total cost in these countries.

(b) a small number of Americans in Tunis does not justify expending the several million dollars to build a separate AID office building. Therefore, costs for relocating the Tunis AID mission in a more secure country is included.

(c) As most AID employees are or will be located with the Embassy employees, STATE has added funds to increase the chancery size to accommodate these AID employees.

Category II - Rehabilitation of facilities at 40 posts, $1,375,000 in FY 1986 and $8,375,000 in FY 1986-90:

The five-year costs for this program are as follows:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
	$1,375	$1,875	$2,500	$2,500	$125	$8,375

Given the threat levels involved, we feel that it would be more practical to attempt to upgrade to the fullest extent possible the 25 facilities not recommended for relocation. The costs of retrofitting these 25 facilities have been estimated to range from $150,000 to $400,000 each. Using the mean cost of $275,000 for budgeting purposes, we project an additional requirement of $6,875,000 to satisfy this need.

Although the AID Mission in Cairo does not meet minimum security standards, it is believed that finding a plot of land in Cairo's downtown center is virtually impossible. If the mission were located in the suburbs, it would be ineffective. The Mission Director has been requested to explore viable alternatives to his current office situation. To date, nothing positive has developed. Cost estimates are not available at this time.

The 25 missions included in this grouping are identified in the listing that follows:

Nepal
Belize
Egypt
Dominican Republic
Ecuador
Grenada
Jamaica
Haiti
Peru
Sri Lanka
Thailand
Botswana
Burkina Fasso
Burundi
Cameroon
Chad
Guinea-Bissau
Ivory Coast
Zaire
Mauritania
Mozambique
Togo
Uganda
Zambia
Zimbabwe

Acquisition and Maintenance of Buildings Abroad (Regular)

AID

Of the 15 remaining independently located AID facilities, we estimate a need for $100,000 each to cover security enhancement improvements. Typically, these costs would involve the installation or upgrading of ballistic doors and windows, and the development of safehaven areas. Projected costs equal $1,500,000.

The 15 posts identified for this level of security improvements are:

- Bangladesh
- Indonesia
- Tunisia
- Pakistan, Islamabad
- Yemen
- Oman
- Senegal
- Ghana
- Swaziland
- Lesotho
- Cape Verde
- Rwanda
- Malawi
- Liberia
- Niger

Acquisition and Maintenance of
Buildings Abroad (Regular)

USIA

UNITED STATES INFORMATION AGENCY
$15,444,000 in FY 1986 and $97,448,000 in FY 1986-90

Included in this supplemental request are the security enhancement requirements for the United States Information Agency (USIA). USIA overseas facilities present unusual difficulties for security officers and staff due to the public nature of these facilities and the USIA mission to foster an open and free exchange of opinion on all issues of interest. The Agency has over 430 overseas facilities, including staff offices, libraries, cultural and bi-national centers, and Voice of America (VOA) relay stations. Even if it were possible to upgrade all USIA facilities to current minimum physical security standards, it would not always be desirable in light of the negative impact on the Agency's basic mission that could result. This request is for prudent security measures that can be implemented to lessen the likelihood of vehicle bombings, to make staff office areas more secure, and to provide perimeter and public access control features at USIA facilities.

This request covers the upgrading and relocation of existing USIA facilities to deter or eliminate the more serious existing security problems. A number of Agency facilities are situated in buildings adjacent to major thoroughfares and/or in urban environments. These offices cannot be provided acceptable protection from the critical threat of a suicide bomb attack, and must therefore be relocated to a more defensible site and structure. Where possible, the staff offices will be relocated into the compound of the new embassies planned in the Department of State building program stemming from the Reports of the Advisory Panel on Overseas Security. Program facilities, such as libraries and cultural and bi-national centers, will continue to be located separately as necessary. In those cases where it is determined that the staff must be located with these program facilities and not within the Department of State compound, then separate USIA offices will be acquired. These separate offices will primarily be in leased properties.

A summary of the financial and staffing requirements for the USIA security program follows.

	FY 1986 ESTIMATE		FY 1986-1990	
	Pos.	Amount	Pos.	Amount
Capital Program Projects:				
I. Relocation of offices & libraries at 55 posts	--	$ 5,817,000	--	$39,163,000
II. Relocation of libraries & cultural centers at 17 Posts	--	2,619,000	--	8,905,000
III. Security upgrades at VOA relay stations	--	7,008,000	--	49,380,000
Total, United States Information Agency	--	15,444,000	--	97,448,000

Acquisition and Maintenance of Buildings Abroad (Regular)

USIA

Category I - Relocation of offices and libraries at 55 posts, $ 5,817,000 in FY 1986 and $39,163,000 in FY 1986-90:

In preparing this supplemental, USIA analyzed the existing and projected security threats against all of its 430 locations. As part of the analysis, a number of factors were considered: primarily the building setback from surrounding streets; the structural condition and configuration of the building; and the degree of control over adjacent properties. Also, to give meaning to the uncertainty associated with the analysis, the following assumptions were made:

-- USIA facilities have been primary targets of terrorist/mob action in the past. As other potential targets such as Embassies and Consulates become more hardened, the vulnerability of USIA facilities is likely to increase.

-- The programming requirements of the USIA will not change. USIA facilities will continue to be located in areas conveniently accessible to the public.

-- USIA staff offices will be able to relocate to the new Chanceries proposed for construction by the Department of State. The decision to relocate will be made on a case-by-case basis, depending on the local USIA program and the location of the new Chancery site. Any changes to the FBO building schedule will affect the USIA relocation plan.

-- A vehicle bomb attack is not the most probable type of threat to USIA facilities. Far more likely are bombs and incendiary devices being placed in the comparatively accessible program facilities, such as cultural centers, bi-national centers and libraries. Protection against the critical threat of vehicle bombs will not be minimized, however, and this poses by far the greatest resource implication in terms of costs for the facility itself (higher property/lease costs in the central city area, especially when attempting to meet the 100 foot setback requirement) and for required security enhancements.

-- Although every effort will be made to meet current security standards, the 100 foot setback requirement will not be attainable at the majority of our separate overseas facilities.

-- If the security situation in any country becomes so grave as to preclude accomplishment of the USIA mission without unacceptable risk to the lives of employees, USIA will curtail or cease its operation.

-- Separate USIA facilities will continue to be located primarily in leased space.

Acquisition and Maintenance of Buildings Abroad (Regular)

USIA

Category I - Relocation of offices and libraries at 55 posts, (cont'd):

Based on the above criteria and assumptions, the following 55 USIA posts (each including staff offices and library) have been identified for relocation to more secure facilities. They are listed in priority order. It must be stressed that this is based solely on an assessment of the threat at each post. The actual sequence of USIA relocations will depend on the Department's building schedule and the assumptions listed previously.

FY 1986

1. Kampala
2. Lima (Annex)
3. Jerusalem
4. Tunis
5. Casablanca
6. Davao
7. Izmir
8. Dar Es Salaam

FY 1987

9. Lagos
10. Kano
11. Istanbul
12. Guayaquil
13. Athens
14. Bombay
15. Ankara
16. Chaing Mai
17. Milan
18. Cebu
19. Monrovia
20. Niamey
21. Kwangju
22. Seoul
23. Douala
24. Yaounde
25. Lusaka

FY 1988

26. Barcelona
27. Santo Domingo
28. Cape Town
29. Ouagadougou
30. Abidjan
31. Bujumbura
32. Thessaloniki
33. Nouakchott
34. Harare
35. Taegu
36. Buenos Aires
37. Maseru
38. Lubumbashi
39. Antananarivo
40. Kathmandu

FY 1989

41. Sarajevo
42. Skopje
43. Titograd
44. Ljubljana
45. Belgrade
46. Hamburg
47. Rangoon
48. Bridgetown
49. Mbabane
50. Lome

FY 1990

51. Cologne
52. Hannover
53. Kyoto
54. Fukuoka
55. Canberra

It is estimated that the total cost to relocate the staff offices and libraries at these 55 posts, including security enhancements, resultant essential program costs, will be approximately $39,163,000. This estimate is based on an average 1985 cost and average annual rent increase, of $630,000 for each of the 55 posts (OMB inflation factors have been applied to the estimate for 1986 - 1990). The cost of any one relocation will vary significantly, based upon such factors as the size of the mission involved and local costs for leases and construction. Details of the basic cost assumption are provided below.

1. Estimated cost to upgrade USIA Staff office..... $333,000

2. Estimated cost to upgrade USIA library.......... 232,000

Acquisition and Maintenance of Buildings Abroad (Regular)

USIA

Category I - Relocation of offices and libraries at 55 posts, (cont'd):

3.	Additional costs (breaking old lease, restoring old facility and moving fees)....	$25,000
4.	Added annual rent following relocation..........	40,000
	Total average cost per post....................	630,000

Funds should be obligated as identified in the following table: (dollars in thousands)

FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
$ 5,817	$12,545	$10,121	$7,121	$3,559	$39,163

Category II - Relocation of libraries and cultural centers at 17 posts, $2,619,000 in FY 1986 and $8,905,000 in FY 1986-90:

A review of the building program proposed by the Department of State in response to the Reports of the Advisory Panel on Overseas Security suggests that USIA program facilities at 17 posts will need to be relocated outside of the new proposed compounds, in which the USIA staff offices will be located. The following 17 facilities have been tentatively identified along with the FY in which relocation is planned to occur:

FY 1986	FY 1987	FY 1988	FY 1989	FY 1990
Guadalajara	Sao Paulo	Panama City	Conakry	Singapore
Freetown	Valletta	Suva	Melbourne	Sydney
The Hague	Copenhagen	Bamako	Oslo	
Kinshasa	Geneva			
Rio De Janeiro				

It is estimated that the total cost to relocate the libraries and cultural centers at these 17 posts, including security enhancements, resultant essential program costs, will be approximately $8,905,000. This estimate is based on an average 1985 cost and average annual rent increase of $461,000 for each of the 17 posts (OMB inflation factors have been applied to the estimates for 1986 - 1990). The cost of any one relocation will vary significantly, based upon such factors as the size of the mission involved and local costs for leases and construction. Details of the basic cost assumption are provided below.

1. Estimated cost to relocate USIA cultural center.. $258,000

Acquisition and Maintenance of Buildings Abroad (Regular)

USIA

2. Estimated cost to relocate USIA library..........	138,000
3. Additional costs (breaking old lease, restoring old facility and moving fees).....	25,000
4. Added annual rent following relocation...........	40,000
Total average cost per post......................	461,000

Funds should be obligated as indicated in the following table:

(dollars in thousands)

FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
$2,619	$2,095	$1,571	$1,571	$1,049	$8,905

Category III - Security upgrades at 30 VOA Relay Stations, $7,008,000 in FY 1986 and $49,380,000 in FY 1986-90:

The Voice of America is in the midst of a significant modernization and relay station construction program. As part of this upgrading, additional security will need to be provided at eight medium wave stations, six domestic short wave stations, and sixteen foreign short wave stations. Many VOA stations will have been initiated by the end of FY 86 with completion of all security enhancements to occur over a three or four year period.

The following are the VOA locations to be upgraded:

Medium wave stations (8) $ 8,240,000

Honduras (South)
Belize
Grand Turk
Honduras (North)
St. Vincent
Haiti
Antigua
Costa Rica (South)

Domestic Shortwave Stations (6) 2,100,000

Greenville (3 sites)
Delano
Dixon
Bethany

Foreign Shortwave Stations (16) 39,040,000

Sri Lanka
Thailand
New European
Liberia (2 sites)

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Acquisition and Maintenance of Buildings Abroad (Regular)

USIA

Puerto Rico
New Middle East
New Far East
Botswana
Kavala (2 sites)
Rhodes (2 sites)
Philippines (3 sites)

TOTAL 49,380,000

The following is the estimated average cost for upgrading each of these types of facility:

1. Medium wave station...............	$1,030,000
2. Domestic short wave station.......	350,000
3. Foreign short wave station........	2,440,000

Funds should be obligated as indicated in the following table:

(dollars in thousands)

FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
$7,008	$16,008	$14,463	$6,606	$5,295	$49,380

Acquisition and Maintenance of Buildings Abroad (Regular)

COMMERCE

DEPARTMENT OF COMMERCE OVERSEAS

$3,750,000 in FY 1986 and $10,750,000 in FY 1986-88

Except for the National Oceanic & Atmospheric Administration facilities, the Department of Commerce buildings and offices are usually open to the people of the host country and designed to provide open and free exchange of information representative of U.S. commercial interests. As is the case with AID buildings, it is anticipated these facilities will become more attractive to terrorists once security is enhanced at other U.S. facilities. Given the threat levels involved, we feel that it would be most practical to attempt to upgrade perimeter and public access controls to include vehicle countermeasures designed to slow down and deter suicidal or remote control bombers from penetrating perimeters, such as occurred in Beirut and Kuwait.

A summary of requirements for the Department of Commerce follows:

FY 1986 $3,750,000

Security site surveys at 5 Commercial Offices/Libraries, $250,000. These surveys are required to assess the current security at Commercial Offices/Libraries not co-located with State Department buildings in Milan, Manila, Bangkok, Jeddah, and Abu Dhabi.

Upgrade perimeter and public access controls 7 DOC sites, $3,500,000. These funds are for the purchase, shipment, installation and construction of perimeter upgrade equipment and systems (i.e., vehicle arrest barriers, walls, fences, lighting, guard booths, ballistic transparencies, ballistic and forced entry doors, bollards, earth berms) and public access controls at the locations listed below. These facilities are not co-located with State Department buildings. This request includes the cost of contract engineers and architects to assist in the design, development and installation of these perimeter security systems.

The following is a breakdown of the locations where physical security improvements would start in FY 1986.

-- Commercial Offices/Libraries: Abu Dhabi, Milan, and Jeddah

Acquisition and Maintenance of Buildings Abroad (Regular)

Commerce, Cont'd)

FY 1987 $4,000,000

Security site surveys at 3 Commercial Offices/Libraries, $150,000. These surveys are required to assess the current security at Commercial Offices/Libraries not co-located with State Department buildings in Hong Kong, Seoul, and Moscow.

Upgrade perimeter and public access controls at DOC sites, $3,850,000. These funds are for the purchase, shipment installation, and construction of perimeter upgrade equipment and systems (i.e., vehicle arrest barriers, walls, fences, lighting, guard booths, ballistic transparencies, ballistic and forced entry doors, bollards, earth berms, etc.) and public access controls at the locations listed below. These facilities are not co-located with State Department buildings. This request includes the cost of contract engineers and architects to assist in the design, development and installation of these perimeter security systems.

The following are several of the installations where physical security improvements would start in FY 1987.

Export Development facilities: Mexico City.

Commercial Offices/Libraries: Tokyo, Seoul, and Singapore.

FY 1988 $3,000,000

Upgrade perimeter and public access controls at DOC sites, $3,000,000. These funds are for the purchase, shipment, installation, and contruction of perimeter upgrade equipment and systems (i.e., vehicle arrest barriers, walls, fences, lighting, guard booths, ballistic transparencies, ballistic and forced entry doors, bollards, earth berms, etc.) and public access controls at the locations listed below. These facilities are not co-located with State Department buildings. This request includes the cost of contract engineers and architects to assist in the design, development and installation of these perimeter security systems.

The following are several of the locations where physical security improvements would start in FY 1988.

National Oceanic and Atmospheric Administration facilities: Cristobal and Georgetown.

Commercial Offices/Libraries: Toronto, Warsaw, Moscow, and Perth.

Acquisition and Maintenance of
Buildings Abroad (Regular)

FISCAL YEAR 1986 SECURITY SUPPLEMENTAL

APPROPRIATION LANGUAGE

Acquisition and Maintenance of Buildings Abroad

For an additional amount for "Acquisition and Maintenance of Buildings Abroad", $454,532,000, to remain available until expended.

FBO/SY-192

Acquisition and Maintenance of
Buildings Abroad (Regular)

DEPARTMENT OF STATE

FY 1986 SECURITY SUPPLEMENTAL ESTIMATES

Acquisition and Maintenance of Buildings Abroad

Requirements by Object Class

	Object Class	FY 1986 Supplemental Positions	FY 1986 Supplemental Amount
11	PERSONNEL COMPENSATION................	177	$ 3,530,000
12	PERSONNEL BENEFITS....................		300,000
21	TRAVEL AND TRANSPORTATION.............		339,000
23	RENTS COMMUNICATIONS AND UTILITIES....		600,000
25	OTHER CONTRACTUAL SERVICES............		17,351,000
31	EQUIPMENT.............................		25,294,000
32	LANDS AND STRUCTURES..................		407,118,000
	TOTAL OBLIGATIONS	177	454,532,000

1986 SECURITY SUPPLEMENTAL - SALARIES & EXPENSES SUMMARY
(dollars in thousands)

Agency/Program	1986 ESTIMATE Pos.	1986 ESTIMATE Amount	1987 ESTIMATE Pos.	1987 ESTIMATE Amount	1988 ESTIMATE Pos.	1988 ESTIMATE Amount	1989 ESTIMATE Pos.	1989 ESTIMATE Amount	1990 ESTIMATE Pos.	1990 ESTIMATE Amount	TOTAL 1986-1990 Pos.	TOTAL 1986-1990 Amount
BUREAU OF DIPLOMATIC SECURITY:												
Residential Security:												
Physical Security at Residences.	--	$17,105	--	$27,743	--	$4,149	--	$56,875	--	$36,890	--	$142,762
Residential Security Guard Ser..	--	50,385	--	57,496	--	70,282	--	77,663	--	85,699	--	341,525
Residential Sec. Field Support..	49	4,032	79	8,541	79	8,679	79	9,026	79	9,386	79	39,664
Subtotal, Residential Security....	49	71,522	79	93,780	79	83,110	79	143,564	79	131,975	79	523,951
Perimeter Security Program:												
Increased Perimeter Barrier Cost	--	59,827	--	44,074	--	9,840	--	10,637	--	11,464	--	135,842
Engineering Support:												
Physical Security Contractual Engineering Support............	--	1,210	--	2,423	--	4,600	--	5,780	--	5,693	--	19,706
Computer Aided Engineering and Design Systems................	--	--	--	550	--	3,740	--	2,095	--	2,475	--	8,860
Subtotal, Engineering Support...	--	1,210	--	2,973	--	8,340	--	7,875	--	8,168	--	28,566
Countermeasures and Counter Intelligence Programs:												
Tech. Countermeasures Programs..	24	9,362	30	8,806	30	12,712	45	39,728	45	38,359	45	108,967
Counter Intelligence Program....	7	770	10	1,209	10	1,291	10	1,324	10	1,360	10	5,954
Total, Countermeasures and CI.....	31	10,132	40	10,015	40	14,003	55	41,052	55	39,719	55	114,921
Admin. of Overseas Guard Program:												
Contract Guards.................	--	3,090	--	6,345	--	11,807	--	15,890	--	17,301	--	54,433
Assistant RSO Positions..	15	1,671	30	3,867	30	3,840	30	3,927	30	4,009	30	17,314
Admin. of Local Guard Program...	5	243	5	279	5	295	5	306	5	320	5	1,443
Total, Admin of Overseas Guards...	20	5,004	35	10,491	35	15,942	35	20,123	35	21,630	35	73,190
Security Vehicle Program:												
Light Armoring Program..........	1	23	1	64	1	76	1	78	1	81	1	322
Security/Follow Car Program.....	--	20	--	10	--	1,889	--	2,300	--	1,962	--	6,181
Total, Security Vehicle Program...	1	43	1	74	1	1,965	1	2,378	1	2,043	1	6,503
Special Protective Equip. Program:												
Weapons Maintenance.............	2	62	2	88	2	93	2	97	2	101	2	441
Special Protective Equip & Ammo.	--	526	--	675	--	944	--	966	--	588	--	3,699
Total, Special Protective Equip...	2	588	2	763	2	1,037	2	1,063	2	689	2	4,140

1986 SECURITY SUPPLEMENTAL - SALARIES & EXPENSES SUMMARY
(dollars in thousands)

Agency/Program	1986 ESTIMATE		1987 ESTIMATE		1988 ESTIMATE		1989 ESTIMATE		1990 ESTIMATE		TOTAL 1986-1990	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
SECURITY (con't):												
Regional Security Officers........	2	$250	2	$286	2	$239	2	$245	2	$249	2	$1,269
Terrorist Threat Analysis..........	9	221	9	595	9	613	9	631	9	652	9	2,712
Protection of Foreign Dignitaries and Missions in the U.S:												
Special Agents for Protective Security........................	25	1,050	25	1,800	105	6,831	180	12,060	180	12,719	180	34,460
Protection of Diplomatic and Consular Officials in the U.S..	95	2,514	95	5,935	190	12,266	190	12,278	190	12,574	190	45,567
Protective Technical Program....	6	1,301	6	1,670	10	2,374	10	2,393	10	2,416	10	10,154
Total, Prot. of Foreign Missions..	126	4,865	126	9,405	305	21,471	380	26,731	380	27,709	380	90,181
Foreign Service Security Training:												
Professional Security Personnel:												
Security Training Development.	3	1,019	3	638	3	664	3	690	3	718	3	3,729
Specialized Security..........	9	459	19	1,073	22	1,419	22	1,523	22	1,584	22	6,058
Improved Post Security Personnel Training...........	6	1,552	17	3,275	23	3,845	23	4,119	23	4,285	23	17,076
General Security Training.....	5	240	10	561	12	756	12	820	12	853	12	3,230
Federal Law Enforcement Training Center..............	1	58	1	70	1	73	1	76	1	79	1	356
Documentation & Info. Staff...	4	644	9	1,525	11	1,700	11	1,781	11	1,852	11	7,502
Reimb. to Secret Service for Protective training..........	--	--	--	250	--	2,000	--	2,080	--	2,163	--	6,493
Subtotal, Professional Pers Trng	28	3,972	59	7,392	72	10,457	72	11,089	72	11,534	72	44,444
Expanded Security Training for Other Foreign Service Personnel:												
Security Awareness Training for Personnel Assigned to High Treat Posts.............	3	542	6	790	6	1,682	6	1,737	6	1,788	6	6,539
Coping with Violence Abroad...	1	105	1	137	1	144	1	150	1	156	1	692
Orientation for Spouses of MSGs and Seabees............	--	108	--	162	--	190	--	200	--	220	--	880
Subtotal, Training of Non-security Personnel.........	4	755	7	1,089	7	2,016	7	2,087	7	2,164	7	8,111

1986 SECURITY SUPPLEMENTAL - SALARIES & EXPENSES SUMMARY
(dollars in thousands)

Agency/Program	1986 ESTIMATE		1987 ESTIMATE		1988 ESTIMATE		1989 ESTIMATE		1990 ESTIMATE		TOTAL 1986-1990	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
SECURITY (con't):												
Training (con't):												
Security Training Center	--	$3,890	--	$2,714	--	$1,569	--	$8,053	--	$20,019	--	$36,245
Training Support	6	443	6	1,488	18	1,669	18	1,848	18	1,903	18	7,351
Total, Training Support	38	9,060	72	12,683	97	15,711	97	23,077	97	35,620	97	96,151
Domestic Security Programs:												
Main State Perimeter Upgrade	--	1,861	--	591	--	1,628	--	1,614	--	688	--	6,382
Internal Physical Security at Main State and Annexes	4	1,546	4	1,697	4	3,585	4	3,682	4	2,788	4	13,298
Procedural Security Support of Regional and Functional Bureaus	11	280	11	707	11	791	11	803	11	826	11	3,407
Domestic Facility Sec. Officers	3	176	3	262	3	358	3	402	3	358	3	1,556
Subtotal, Domestic Sec. Programs	18	3,863	18	3,257	18	6,362	18	6,501	18	4,660	18	24,643
General Admin. and Direction:												
Office of the Asst. Sec. and EX for Bureau of Dipl. Security	61	2,233	61	3,098	61	4,042	61	4,244	61	4,454	61	18,071
Automation Systems	12	2,840	22	7,296	22	2,214	22	2,294	22	2,501	22	17,145
Recruitment Costs	4	84	4	259	4	269	4	280	4	290	4	1,182
Subtotal, General Admin & Dir.	77	5,157	87	10,653	87	6,525	87	6,818	87	7,245	87	36,398
Personnel Security Investigations	--	300	--	1,740	--	1,082	--	225	--	234	--	3,581
TOTAL, SECURITY	373	172,042	471	200,789	675	186,240	765	290,920	765	292,057	765	1,142,048
OFFICE OF COMMUNICATIONS:												
Protection of Class Office Equip	33	10,646	33	22,641	66	23,705	66	26,811	66	28,962	66	112,765
Shieldied Enclosure Acceleration	--	2,500	--	6,080	--	2,163	--	2,250	--	2,340	--	15,333
Radio Frequency (RF) Shielding for FBO Initiatives	5	565	10	1,802	23	3,561	23	3,921	23	4,068	23	13,917
Radio Support	20	9,058	20	12,581	20	7,763	20	7,954	20	9,152	20	46,508
TOTAL, COMMUNICATIONS	58	22,769	63	43,104	109	37,192	109	40,936	109	44,522	109	188,523

1986 SECURITY SUPPLEMENTAL - SALARIES & EXPENSES SUMMARY
(dollars in thousands)

Agency/Program	1986 ESTIMATE Pos.	1986 ESTIMATE Amount	1987 ESTIMATE Pos.	1987 ESTIMATE Amount	1988 ESTIMATE Pos.	1988 ESTIMATE Amount	1989 ESTIMATE Pos.	1989 ESTIMATE Amount	1990 ESTIMATE Pos.	1990 ESTIMATE Amount	TOTAL 1986-1990 Pos.	TOTAL 1986-1990 Amount
BUREAU OF ADMINISTRATION:												
Information Systems Security:												
Expand Info Systems Security..	10	$345	10	$1,527	10	$1,603	10	$1,667	10	$1,733	10	$6,875
American System Managers and Operators at High Technical Threat OIS & Mini Locations..	31	1,578	31	5,546	42	5,884	42	6,077	42	6,320	42	25,405
American System Managers at All Other Minicomputer Posts.	9	495	9	1,759	20	2,992	20	3,154	20	3,281	20	11,681
Subtotal, Info. Systems Security	50	2,418	50	8,832	72	10,479	72	10,898	72	11,334	72	43,961
Overseas Security Support.												
Consolidation of SY functions.	--	978	--	7,085	--	4,405	--	4,573	--	4,668	--	21,709
Procurement and Contracts.....	16	600	16	650	16	794	16	824	16	857	16	3,725
Supply Personnel and Warehouse Space..............	10	889	10	1,889	10	1,896	10	1,972	10	2,050	10	8,696
Transportation	17	452	17	751	17	798	17	830	17	863	17	3,694
Subtotal, Overseas SY Support...	43	2,919	43	10,375	43	7,893	43	8,199	43	8,438	43	37,824
TOTAL, ADMINISTRATION............	93	5,337	93	19,207	115	18,372	115	19,097	115	19,772	115	81,785
INFORMATION SYSTEMS OFFICE:												
Alternate ADP Facility..........	5	25,709	5	1,761	--	--	--	--	--	--	--	27,470
Establish Systems Security Staff	4	118	4	218	4	233	4	242	4	252	4	1,063
Systems Design and Programming Support for SY and FBO.........	2	55	2	100	2	107	2	112	2	116	2	490
Automation Support for Security and FBO Distributive Processing	15	365	15	645	15	690	15	718	15	746	15	3,164
Overseas Financial Support......	--	363	--	697	--	714	--	742	--	772	--	3,288
American Systems Maintenance....	--	871	--	2,596	--	2,596	--	2,700	--	2,808	--	11,571
TOTAL, INFORMATION SYSTEMS........	26	27,481	26	6,017	21	4,340	21	4,514	21	4,694	21	47,046

1986 SECURITY SUPPLEMENTAL - SALARIES & EXPENSES SUMMARY
(dollars in thousands)

Agency/Program	1986 ESTIMATE		1987 ESTIMATE		1988 ESTIMATE		1989 ESTIMATE		1990 ESTIMATE		TOTAL 1986-1990	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
S/CT:												
Int. Cooperation, Policy Dev. and Interagency Coordination...	2	$54	2	$243	6	$465	6	$478	6	$494	6	$1,734
DS/CTP:												
Anti-Terrorism Assist. Program..	1	28	1	122	4	309	4	321	4	331	4	1,111
Central American Police Training	2	59	2	243	18	1,391	18	1,436	18	1,484	18	4,613
TOTAL, DS/CTP	3	87	3	365	22	1,700	22	1,757	22	1,815	22	5,724
EUR:												
Replacement of FSNs at Soviet and Eastern European Posts.....	--	6,330	--	28,320	--	29,453	--	30,639	--	31,780	--	126,522
FSI:												
Security Training..............	9	355	11	1,166	11	1,317	11	1,349	11	1,482	11	5,669
LEGAL:												
Legal Support..................	10	142	12	573	12	606	12	626	12	647	12	2,594
M/DGP:												
Personnel Support..............	7	340	7	450	7	455	7	460	7	465	7	2,170
M/COMP:												
Financial Support..............	12	155	19	613	21	690	21	690	21	690	21	2,838
S/IG:												
Inspection and Audit Support....	2	250	5	691	5	724	5	749	5	774	5	3,188
TOTAL, STATE....................	**595**	**235,342**	**712**	**301,538**	**1,004**	**281,554**	**1,094**	**392,215**	**1,094**	**399,192**	**1,094**	**1,609,841**

1986 SECURITY SUPPLEMENTAL - SALARIES & EXPENSES SUMMARY
(dollars in thousands)

Agency/Program	1986 ESTIMATE Pos.	1986 ESTIMATE Amount	1987 ESTIMATE Pos.	1987 ESTIMATE Amount	1988 ESTIMATE Pos.	1988 ESTIMATE Amount	1989 ESTIMATE Pos.	1989 ESTIMATE Amount	1990 ESTIMATE Pos.	1990 ESTIMATE Amount	TOTAL 1986-1990 Pos.	TOTAL 1986-1990 Amount
AID:												
Communications Improvements.....	--	$500	--	$500	--	$500	--	$500	--	$500	--	$2,500
Armored Vehicles................	--	--	--	--	--	1,203	--	2,975	--	1,796	--	5,974
TOTAL, AID......................	--	500	--	500	--	1,703	--	3,475	--	2,296	--	8,474
USIA:												
Communications improvements.....	--	1,402	--	1,460	--	1,518	--	1,575	--	1,629	--	7,584
Armored Vehicles................	--	--	--	--	--	954	--	848	--	860	--	2,662
Domestic Security...............	--	--	--	--	--	40	--	142	--	--	--	182
TOTAL, USIA.....................	--	1,402	--	1,460	--	2,512	--	2,565	--	2,489	--	10,428
DEPARTMENT OF COMMERCE:												
Armored Vehicles................	--	--	--	--	--	560	--	560	--	680	--	1,800
PEACE CORPS:												
Peace Corps Security............	--	250	--	18	--	18	--	19	--	19	--	324
TOTAL, SALARIES AND EXPENSES......	**595**	**$237,494**	**712**	**$303,516**	**1,004**	**$286,347**	**1,094**	**$398,834**	**1,094**	**$404,676**	**1,094**	**$1,630,867**

CHANGES BY FISCAL YEAR

	1986 INC/DEC Pos.	1986 INC/DEC Amount	1987 INC/DEC Pos.	1987 INC/DEC Amount	1988 INC/DEC Pos.	1988 INC/DEC Amount	1989 INC/DEC Pos.	1989 INC/DEC Amount	1990 INC/DEC Pos.	1990 INC/DEC Amount
Salaries and Expenses............	595	$237,494	117	$66,022	292	-$17,169	90	$112,487	--	$5,842

DEPARTMENT OF STATE

FISCAL YEAR 1986 SECURITY SUPPLEMENTAL

Salaries and Expenses

Appropriation: Salaries and Expenses PL: 99-180

Revised Appropriation
to Date: $1,394,062,000 a/ Request: $237,494,000

Amended Appropriation Requested: $1,631,556,000

Purpose and Need for Supplemental Funds

Emergency Protection for U.S. Personnel and Facilities

A fiscal year 1986 security supplemental of $237,494,000 is requested for the urgent correction of weaknesses in the provision of essential security and security-related services for the Department of State and the other foreign affairs agencies.

In the summer of 1985, the Secretary of State's Advisory Panel on Overseas Security presented several important reports concerning the Department of State's security policies and programs. In these reports, the Panel was especially concerned by the large and constantly growing demand for security services that was being generated, both in Washington and overseas, by the increasingly hostile physical and electronic environments in which the Department of State and the other foreign affairs agencies operate. The Panel did not believe that these terrorist and technical risks would be diminishing in the near future. On the contrary, there is every reason to believe that these threats will be increasing in scope and extent. Although certain areas of the world may represent a higher threat than others at the present time, there is no certainty that this pattern will continue. Indeed, in many parts of the world the stable and quiet environment of today has the potential to become a dangerous forum for domestic unrest and civil strife almost overnight.

These reports dealt in considerable detail with a number of important issues, including physical and technical security, training, intelligence and threat-alert procedures, organization and administrative support, residential security, overseas office buildings and facilities, and the protection of foreign dignitaries and officials in the United States. The Panel made a number of comprehensive recommendations for ways in which the Department could expand and improve its capabilities in these areas.

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a/ Reflects a reduction of $62,638,000 to the 1986 appropriated amount as the result of the 1985 Gramm-Rudman-Hollings Act.

Purpose and Need for Supplemental Funds

Emergency Protection for U.S. Personnel and Facilities

Continued,

In response to the mounting security challenges the Department of State faces now and in the foreseeable future, the Advisory Panel recommended that a new Bureau for Diplomatic Security be created. This new Bureau, which would report to the Under Secretary for Management, would consolidate a number of security functions and programs currently scattered among a variety of offices within the Department. The most significant component of the new Bureau for Diplomatic Security would be a Diplomatic Security Service, or DSS, based on the current structure and personnel of the Department's Office of Security. The DSS would incorporate several features that were judged to be essential to the Department's ability to protect its personnel, facilities and national security information both in the U.S. and at overseas locations. As envisioned in the Advisory Panel reports, the DSS would be a highly competent, professional organization that would be staffed, trained and funded to the levels sufficient to meet its manifold responsibilities to protect the foreign affairs community in the wide range of environments and locations in which it operates.

The Advisory Panel also offered specific recommendations for improvements in a number of security and security-related areas. For example, the Department of State and other foreign affairs agencies have had residential security programs for a number of years. These programs, however, have not been provided a consistent and effective level of protection at all locations. The Overseas Security Policy Group (OSPG), whose members include the directors of security for all foreign affairs agencies, has recently approved an interagency policy statement for residential security. The statement reads as follows:

> [I]t is the policy of the U.S. government to take all reasonable and appropriate steps to reduce the risks of employees and their dependents to terrorism and high levels of criminal activity while they are serving abroad. If the host government is incapable or unwilling to take appropriate steps to protect assigned American personnel and their dependents, as they are required to do under international law, then serious consideration will be given to withdrawing endangered personnel. Security steps taken by the U.S. government are therefore designed to complement and enhance the efforts of the local authorities. To this end, financial and human resources will be committed in an attempt to secure a safer environment for our employees and their families.

In the light of this policy statement, the OSPG approved a set of standards for personal and residential security to be applied to all employees below the rank of Chief of Mission (to whom a different and usually more stringent set of standards applies) and their dependents. These standards delineate incremental levels of protection for low, medium and high threat posts. All posts are required to apply the appropriate standards to all

Purpose and Need for Supplemental Funds

Emergency Protection for U.S. Personnel and Missions Overseas

Continued,

residences for all U.S. government employees stationed there, regardless of agency. For low threat posts, the standards require a mandatory security inspection of all potential residences by the regional security officer or post security officer before they are occupied, as well as specified standards for the doors, windows and exterior lighting. For medium and high threat posts, standards for window grillwork, emergency communications capabilities, exterior walls or fences, alarm systems, internal safehavens, contract guards and local transportation via armored vehicles, as appropriate, are added to the basic list of items for low threat posts.

There is also a need for improved perimeter protection for overseas office buildings. The FY 1985 Security Supplemental requested funding for this purpose. The success of that program has led us to expand it to still other posts and to apply new concepts to the program that will result in better perimeter security for these posts. There have also been several promising new developments in related fields, such as technological improvements to physical security systems. Application of these technologies to the Department's inventory of security resources would considerably increase the ability to deter such threats.

In addition to the dangers posed by terrorist attack, the Advisory Panel was equally concerned by the existing and potential technical and espionage threats posed to our operations and to sensitive national security information at our overseas locations. In response to this growing challenge, a sophisticated and comprehensive series of countermeasures programs is proposed. These programs will include security, communications, automated systems, intelligence resources and personnel aspects. For example, programs have been developed for the improved physical and electronic protection of classified office equipment, such as typewriters and photocopiers, as well as unclassified word processing systems. This equipment will be certified, shipped, operated, maintained and repaired, and inspected by cleared American personnel only. Resources are being requested for the expanded collection, review and analysis of terrorist and threat-related information. A program has been developed for the replacement of substantial numbers of the Department's Foreign Service National workforce in the Soviet Union and Eastern Europe by cleared American citizens.

As the Advisory Panel noted, the efficiency of our local guard forces currently varies widely from post to post. At the same time, these guards can be a vital aspect of the overall post security posture when they are properly selected, trained and equipped. The Panel made several recommendations to improve and standardize the selection, training and equipping of these local guard forces, and to increase their numbers where required. Additional

Purpose and Need for Supplemental Funds

Emergency Protection for U.S. Personnel and Missions Overseas

Continued,

professional security officers would be assigned overseas, both to provide more direct supervision and management for these guard forces and to enhance our ability to develop and apply effective countermeasures for the security threats confronting our overseas operations.

One of the major conclusions of the Panel's reports is that office buildings at a majority of the foreign service posts do not meet acceptable security standards for location, structural integrity and tenancy. As a result, they remain particularly vulnerable to a wide range of threats, including but not limited to terrorist attack, mob violence or technical penetration. In response to these conclusions, the Department of State and the other foreign affairs agencies are planning a comprehensive, multi-year program to replace, relocate or renovate those facilities identified as inadequate from a security standpoint. This program is described in the Foreign Buildings section of this request.

This request also includes additional resources for the United States Information Agency, the Agency for International Development, the U.S. and Foreign Commercial Service of the Department of Commerce, and the Peace Corps to improve their security and security-related programs and activities, in light of the recommendations in the Advisory Panel reports.

Several primarily domestic areas, which at the same time have an important impact on the quality of our overseas security activities, were also highlighted in the Advisory Panel reports. A substantial overhaul of existing practices was proposed for the protection of visiting foreign dignitaries and resident foreign officials and missions in the United States. These functions are currently divided among the Departments of State and Treasury, as well as various state and local law enforcement organizations. This has proven to be an inefficient means of handling these responsibilities.

This problem becomes more acute when the factor of reciprocity is considered. A large number of foreign governments devote substantial resources to the protection of our officials and facilities located in their countries, yet when they request protection for their personnel and facilities in the U.S. they are often disappointed by the lukewarm or even negative official response they receive. There have been several serious recent incidents involving attacks on, and threats against, foreign officials in this country. At the same time, the protection afforded to our overseas operations by host countries saves the U.S. Government considerable funds and personnel. Thus, alternative arrangements must be developed to ensure that host governments do not use the lack of reciprocal protection to retaliate in ways that will have negative consequences either to our own security posture in their countries or to our foreign policy interests.

Purpose and Need for Supplemental Funds

Emergency Protection for U.S. Personnel and Missions Overseas

Continued,

It was apparent to the Panel during their inquiries that other government agencies felt that it was not within their jurisdictions or that they were unable to expand their activities in this area. Thus, the Panel recommended that the Department of State receive the resources necessary to handle the existing and projected workload for the protection of visiting foreign dignitaries and resident foreign officials in the U.S. at a professional and effective level. This will maintain the principle of reciprocity and fulfill the U.S. Government's obligations under the Vienna Conventions for the protection of these individuals, while at the same time enabling the Department to undertake a protective program at the same level of professionalism as other law enforcement agencies within the U.S. Government. In addition, by remaining under the direction of the Secretary of State, these protective programs would maintain a more direct managerial link to reciprocity and foreign policy considerations than would occur if another agency were to undertake these functions.

Another major program area which received considerable review by the Advisory Panel is the training function. All major law enforcement agencies recognize the requirement for frequent and thorough professional training and refresher courses for their personnel. In the United States Secret Service, for example, agents regularly devote from between 10% and 20% of their workyear to such training. Due to the constantly increasing workload pressures, however, the Office of Security has been unable to maintain even minimal levels of training for its agents. As a result, the Department is not receiving the maximum benefit that it could from its security personnel.

It is not only the training of security agents, however, that the Advisory Panel found to be insufficient. The Panel made recommendations to expand and improve the training available for such groups as non-professional employees serving as Post Security Officers overseas, threat analysts, as well as the general security and counterterrorism training given to most officials and their dependents assigned overseas. In general, training can be one of the most cost-effective and immediate means of improving the security posture of the Department and its personnel.

In order to operate a viable and separate Bureau for Diplomatic Security with these expanded responsibilities within the Department, support resources will be required in a number of areas. These include: establishing and staffing a front office, executive office, policy staff and public affairs staff for the new Assistant Secretary for Diplomatic Security; consolidating the offices comprising the new Bureau to a new, centralized location with additional space for the Bureau's new personnel; acquiring the necessary

Purpose and Need for Supplemental Funds

Emergency Protection for U.S. Personnel and Missions Overseas

Continued.

automated systems and equipment to support the Bureau's activities; and increasing employment levels in a number of support areas, including the Department's logistical, financial, auditing and inspecting, and personnel operations, to deal with the significantly expanded workload requirement flowing from the Panel's recommendations and the security and security-related items included in this request.

In several other areas, the Advisory Panel recommended that the Department expand its professional staffs of specialists devoted to important security-related programs and activities. For example, the Advisory Panel identified the need for a substantially increased diplomatic campaign at both the bilateral and multilateral levels to develop a general consensus among the nations of the world against terrorism and terrorist activities, as well as additional specific agreements on such issues as anti-hijacking and sanctions agreements and conventions. The Advisory Panel also identified the need for additional legal assistance in refining and increasing the number of extradition agreements with other nations.

Other Departmental programs and activities require additional resources as part of the overall enhancement of our security and counterterrorism posture. The security of the Department's domestic facilities requires augmentation to assure that vital headquarters functions can continue in the event of terrorist actions or natural or other catastrophes. There is also a need to develop a backup site and system for the Department of State's current ADP facility, called the Foreign Affairs Data Processing Center (FADPC), located at the Main State building. FADPC is responsible for a number of services vital to the continued domestic and overseas operations of the foreign affairs agencies. These include the Secretary's Automated Document Index (SADI), and the classified Foreign Affairs Information System (FAIS), which provides on-line access to telegrams, memoranda and other documents which comprise the Department's official foreign policy file. It also contains highly classified intelligence systems for the Bureau of Intelligence and Research, as well as critical management support systems such as personnel, American payroll (CAPPS -- Consolidated American Payroll Processing System) and the Department's Financial Management System. In addition, program systems such as AVLOS provide on-line service to Foreign Service posts to check the Visa Lookout File before visas are issued.

At present, there is no effective disaster recovery capability for ADP operations in the event of a catastrophic failure in the current facility due to significant power failure, bombing, sabotage, natural disaster or other disruptions in operations. In the Department's Internal Controls review process the Secretary has identified this situation to the President and the Congress as a major material weakness of the Department.

Purpose and Need for Supplemental Funds

Emergency Protection for U.S. Personnel and Missions Overseas

Continued,

In summary this request includes funding for the Department of State, the Agency for International Development, the United States Information Agency, the Foreign Commercial Service of the Department of Commerce and the Peace Corps to enhance existing programs for the security of both domestic and overseas personnel, facilities and national security information, in light of the conclusions and specific recommendations of the reports of the Secretary of State's Advisory Panel on Overseas Security.

DEPARTMENT OF STATE
FISCAL YEAR 1986 SECURITY SUPPLEMENTAL
SUMMARY OF REQUIREMENTS

Salaries and Expenses

(dollars in thousands)

	1986 ESTIMATE		1987 ESTIMATE		1987 CHANGE	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
DEPARTMENT OF STATE:						
Security..................	373	$172,042	471	$200,789	98	$28,747
Communications...........	58	22,769	63	43,104	5	20,335
Administration...........	93	5,337	93	19,207	--	13,870
Information Systems......	26	27,481	26	6,017	--	-21,464
S/CT.....................	2	54	2	243	--	189
DS/CTP...................	3	87	3	365	--	278
EUR......................	--	6,330	--	28,320	--	21,990
FSI......................	9	355	11	1,166	2	811
LEGAL....................	10	142	12	573	2	431
M/DGP....................	7	340	7	450	--	110
M/COMP...................	12	155	19	613	7	458
S/IG.....................	2	250	5	691	3	441
Total, Department of State..	595	235,342	712	301,538	117	66,196
OTHER AGENCIES:						
Agency for International Development............	--	500	--	500	--	--
USIA.....................	--	1,402	--	1,460	--	58
Peace Corps..............	--	250	--	18	--	-232
Total, Other Agencies.......	--	2,152	--	1,978	--	-174
Grand Total.................	595	$237,494	712	$303,516	117	$66,022

FISCAL YEAR 1986 SECURITY SUPPLEMENTAL ESTIMATES

Salaries and Expenses

JUSTIFICATION

In July 1984, the Secretary of State convened the Advisory Panel on Overseas Security. Members of the Advisory Panel were Admiral Bobby Inman, USN Ret. (chairman); Senator Warren Rudman; Congressman Daniel Mica; Ambassadors Anne Armstrong and Lawrence Eagleburger; Lieut. General D'Wayne Gray, USMC; and Robert McGuire, former Commissioner of Police for the City of New York. A small professional staff drawn from the foreign affairs agencies was established to assist the Panel in its research and deliberations. The primary focus of the Advisory Panel's activities was a detailed inquiry into the Department of State's responsibilities for protecting United States diplomatic personnel and facilities overseas in the face of an increasingly dangerous security environment. It was hoped that the Advisory Panel would be able to develop a series of recommendations on how to enhance the Department's abilities to guard against the wide range of existing and potential threats, including but not limited to terrorist attack, mob violence, and technical or electronic penetration.

In the course of their inquiries, the Advisory Panel studied a number of topics having a direct impact on the provision of security services to the foreign affairs community. These topics included:

-- the history and future of the terrorist threat;

-- the training in security and counterterrorist measures provided to our officials and their dependents, as well as to professional security personnel;

-- the adequacy of our terrorist intelligence, threat analysis and counterterrorism policies and programs;

-- the organization of the Department of State and the inter-agency community in the areas of security and counterterrorism;

-- the effectiveness of physical security standards and programs such as local guard forces, residential security and armored vehicles;

-- electronic and technical security threats and countermeasures;

-- an analysis of the 'lessons learned' from the four recent suicide vehicle bombings against U.S. facilities in the Middle East;

Salaries and Expenses

JUSTIFICATION

Continued,

-- the ability of our current inventory of overseas office buildings and facilities to deter terrorist, technical and other threats;

-- international diplomatic activities in the counterterrorist arena; and

-- the protection of visiting foreign dignitaries and foreign officials and missions in the United States and the important issue of reciprocity.

The Final Reports of the Advisory Panel were presented to the Secretary in June 1985. These reports, along with the Panel's Preliminary Report of February 1985, make a number of wide-ranging recommendations for changes in the way that the Department conducts its security activities. These changes, and the resource implications of their adoption, are the subject of this request.

The central organizational point to emerge from the Panel's deliberations was the need to reorganize the security programs within the Department of State and to apply the highest standards of professionalism to this function. To this end, the Panel recommended that a new Bureau of Diplomatic Security be formed within the Department, into which a large number of existing security programs and activities would be consolidated. The new Bureau would be headed by an Assistant Secretary, who would report to the Under Secretary for Management.

The major program element within the new Bureau, particularly in terms of resources, would be the Diplomatic Security Service, or DSS, based on the existing Office of Security. The DSS would be a significant enlargement of this Office in order to deal adequately with the large and continually growing workload generated by the threats to our activities, personnel and national security information. The DSS would also act as a focal point for enhanced training, professionalism and expertise for the Department's professional security personnel.

The Advisory Panel based its specific recommendations on the underlying concept that the range of serious potential security threats confronting the Department of State and the other foreign affairs agencies was large, worldwide, unpredictable, and growing. Although certain specific locations may appear to be relatively safe at any one time, there is no way of ruling out the possibility of a serious security incident occurring anywhere in the world. In a similar manner, although certain threats may not appear to be

Salaries and Expenses

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Continued,

great at any one time, it would be irresponsible not to formulate at least minimum levels of protection against them when the potential for such threats to occur does in fact exist.

It is for this reason that the specific recommendations included in the Advisory Panel reports consistently identify the need for a basic level of minimum security standards, procedures and levels of protection to be applied to the Department of State and the foreign affairs agencies worldwide, regardless of location. Those sites requiring additional security, due to the specific threat situation and local environment, would receive it as an increment to the basic program of standards and systems which should be applied everywhere.

The security programs presented in this request were developed in light of this fundamental fact. As a result, they attempt to enhance the basic level of security protection afforded to all of the foreign affairs activities, while providing additional resources where and when required by the specific situation and location. This approach can be seen, for example, in the residential security, post perimeter upgrade, local guard force, armored vehicle and technical countermeasures programs discussed in this request. For example, funds are requested to provide for the initiation of a comprehensive, five-year program to standardize and upgrade security at nearly 10,000 residences occupied by U.S. citizen employees of the foreign affairs agencies worldwide, and to expand the use of emergency radios, armored vehicles and residential guard forces.

In order to support the considerable expansion in security and building activities called for in these programs, this request also includes resources for the Department's administrative and support activities. In this area, additional resources are requested for the financial, personnel, logistical, automated systems, and auditing and inspection functions. Also the Advisory Panel reports called for expansions in the Department's security-related activities in areas outside the existing Offices of Security and Foreign Buildings. These include communications, diplomatic initiatives, and legal programs.

Funds are also requested to improve the security of the Department's domestic activities, as well as for the initiation of the alternate ADP facility program. This will enable the Department to develop a vital back-up computer capacity to substitute for the main ADP system in the event of a disaster or catastrophic failure.

SUMMARY
DEPARTMENT OF STATE
$237,494,000 in FY 1986 and $303,516,000 in FY 1987

(dollars in thousands)

	1986 ESTIMATE		1987 ESTIMATE		1987 CHANGE	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Security:						
Residential Security	49	$71,522	79	$93,780	30	$22,258
Perimeter Security Program	—	59,827	—	44,074	—	-15,753
Engineering Support	—	1,210	—	2,973	—	1,763
Countermeasures and Counter Intelligence Programs	31	10,132	40	10,015	9	-117
Admin. of Overseas Guard Program	20	5,004	35	10,491	15	5,487
Security Vehicle Program	1	43	1	74	—	31
Special Protective Equip Program	2	588	2	763	—	175
Regional Security Officers	2	250	2	286	—	36
Terrorist Threat Analysis	9	221	9	595	—	374
Protection of Foreign Dignitaries and Missions in the U.S.	126	4,865	126	9,405	—	4,540
Foreign Service Security Training	38	9,060	72	12,683	34	3,623
Domestic Security Programs	18	3,863	18	3,257	—	-606
General Admin. and Direction	77	5,157	87	10,653	10	5,496
Personnel Security Investigations	—	300	—	1,740	—	1,440
Subtotal, Security	373	172,042	471	200,789	98	28,747
Communications:						
Protection of Class Office Equip.	33	10,646	33	22,641	—	11,995
Shielded Enclosure Acceleration	—	2,500	—	6,080	—	3,580
Radio Frequency (RF) Shielding for FBO Initiatives	5	565	10	1,802	5	1,237
Radio Support	20	9,058	20	12,581	—	3,523
Subtotal, Communications	58	22,769	63	43,104	5	20,335
Administration:						
Information Systems Security	50	2,418	50	8,832	—	6,414
Overseas Security Support	43	2,919	43	10,375	—	7,456
Subtotal, Administration	93	5,337	93	19,207	—	13,870

STATE

SUMMARY
DEPARTMENT OF STATE
$237,494,000 in FY 1986 and $303,516,000 in FY 1987

(dollars in thousands)

	1986 ESTIMATE		1987 ESTIMATE		1987 CHANGE	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Information Systems:						
Alternate ADP Facility..........	5	$25,709	5	$1,761	--	-$23,948
Establish Systems Security Staff	4	118	4	218	--	100
Systems Design and Programming Support for SY and FBO.........	2	55	2	100	--	45
Automation Support for Security and FBO Distributive Processing	15	365	15	645	--	280
American Systems Maintenance....	--	871	--	2,596	--	1,725
Overseas Financial Support......	--	363	--	697	--	334
Subtotal, Information Systems.....	26	27,481	26	6,017	--	-21,464
S/CT:						
Int. Cooperation, Policy Dev. and Interagency Coordination...	2	54	2	243	--	189
DS/CTP:						
Anti-Terrorism Assist. Program..	1	28	1	122	--	94
Central American Police Training	2	59	2	243	--	184
Subtotal, DS/CTP..................	3	87	3	365	--	278
EUR:						
Replacement of FSNs at Soviet and Eastern European Posts.....	--	6,330	--	28,320	--	21,990
FSI:						
Security Training...............	9	355	11	1,166	2	811
LEGAL:						
Legal Support...................	10	142	12	573	2	431
M/DGP:						
Personnel Support...............	7	340	7	450	--	110
M/COMP:						
Financial Support...............	12	155	19	613	7	458
S/IG:						
Inspection and Audit Support....	2	250	5	691	3	441
TOTAL, STATE.....................	595	235,342	712	301,538	117	66,196

STATE - SECURITY

SUMMARY - SECURITY

(dollars in thousands)

PROGRAM	1986 ESTIMATE		1987 ESTIMATE		1987 CHANGE	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Residential Security:						
Physical Security at Residences.	--	$17,105	--	$27,743	--	$10,638
Residential Security Guard Ser..	--	50,385	--	57,496	--	7,111
Residential Sec. Field Support..	49	4,032	79	8,541	30	4,509
Subtotal, Residential Security....	49	71,522	79	93,780	30	22,258
Perimeter Security Program........	--	59,827	--	44,074	--	-15,753
Engineering Support:						
Physical Security Contractual Engineering Support............	--	1,210	--	2,423	--	1,213
Computer Aided Engineering and Design Systems.................	--	--	--	550	--	550
Subtotal, Engineering Support...	--	1,210	--	2,973	--	1,763
Countermeasures and Counter Intelligence Programs:						
Tech. Countermeasures Programs..	24	9,362	30	8,806	6	-556
Counter Intelligence Program....	7	770	10	1,209	3	439
Total, Countermeasures and CI.....	31	10,132	40	10,015	9	-117
Admin. of Overseas Guard Program:						
Contract Guards..................	--	3,090	--	6,345	--	3,255
Assistant RSO Positions.........	15	1,671	30	3,867	15	2,196
Admin. of Local Guard Program...	5	243	5	279	--	36
Total, Admin of Overseas Guards...	20	5,004	35	10,491	15	5,487
Security Vehicle Program:						
Light Armoring Program..........	1	23	1	64	--	41
Security/Follow Car Program.....	--	20	--	10	--	-10
Total, Security Vehicle Program...	1	43	1	74	--	31
Special Protective Equip Program:						
Weapons Maintenance.............	2	62	2	88	--	26
Special Protective Equip & Ammo.	--	526	--	675	--	149
Total, Special Protective Equip...	2	588	2	763	--	175
Regional Security Officers........	2	250	2	286	--	36

STATE - SECURITY

SUMMARY - SECURITY

(dollars in thousands)

PROGRAM	1986 ESTIMATE		1987 ESTIMATE		1987 CHANGE	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Terrorist Threat Analysis.........	9	$221	9	$595	--	$374
Protection of Foreign Dignitaries and Missions in the U.S:						
Special Agents for Protective Security.......................	25	1,050	25	1,800	--	750
Protection of Diplomatic and Consular Officials in the U.S..	95	2,514	95	5,935	--	3,421
Protective Technical Program....	6	1,301	6	1,670	--	369
Total, Prot. of Foreign Missions..	126	4,865	126	9,405	--	4,540
Foreign Service Security Training:						
Professional Security Personnel:						
Security Training Development.	3	1,019	3	638	--	-381
Specialized Security..........	9	459	19	1,073	10	614
Post Guards and Security Off..	6	1,552	17	3,275	11	1,723
General Security..............	5	240	10	561	5	321
Federal Law Enforcement.......	1	58	1	70	--	12
Documentation & Info Staff....	4	644	9	1,525	5	881
Reimb. to Secret Service for Protective training..........	--	--	--	250	--	250
Subtotal, Professional Pers Trng	28	3,972	59	7,392	31	3,420
Expanded Security Training for Other Foreign Service Personnel:						
Firearms and Evasive Driving..	3	542	6	790	3	248
Coping with Violence Abroad...	1	105	1	137	--	32
Orientation for Spouses of MSGs and Seabees.............	--	108	--	162	--	54
Subtotal, Training of Non-security Personnel.........	4	755	7	1,089	3	334
Security Training Center........	--	3,890	--	2,714	--	-1,176
Training Support................	6	443	6	1,488	--	1,045
Total, Foreign Serv. Sec. Trg.....	38	9,060	72	12,683	34	3,623

SUMMARY - SECURITY

(dollars in thousands)

PROGRAM	1986 ESTIMATE Pos.	1986 ESTIMATE Amount	1987 ESTIMATE Pos.	1987 ESTIMATE Amount	1987 CHANGE Pos.	1987 CHANGE Amount
Domestic Security Programs:						
Main State Perimeter Upgrade....	--	$1,861	--	$591	--	-$1,270
Internal Physical Security at Main State and Annexes..........	4	1,546	4	1,697	--	151
Procedural Security Support of Regional and Functional Bureaus	11	280	11	707	--	427
Domestic Facility Sec. Officers.	3	176	3	262	--	86
Subtotal, Domestic Sec. Programs	18	3,863	18	3,257	--	-606
General Admin. and Direction:						
Office of the Asst. Sec. and EX for Bureau of Dipl. Security...	61	2,233	61	3,098	--	865
Automation Systems..............	12	2,840	22	7,296	10	4,456
Recruitment Costs...............	4	84	4	259	--	175
Subtotal, General Admin & Dir...	77	5,157	87	10,653	10	5,496
Personnel Security Investigations.	--	300	--	1,740	--	1,440
Total, Security..................	373	$172,042	471	$200,789	98	$28,747

STATE - SECURITY

Residential Security, 49 positions (Americans) and $71,522,000:

Until 1985 the Department and other foreign affairs agencies did not have a coordinated overall residential security policy. However, some foreign service posts had developed their own policies and implemented security measures ranging from installation of window and door locks to establishment of mobile reaction teams and static guard posts. Based upon our assessment, less than 25% of these posts have improvements which meet current physical security standards or guard programs which are adequate in terms of staffing, supervision and training. Provided below is justification for resources needed in the areas of physical security, security guards and direct-hire personnel to implement a Government-wide uniform program at our diplomatic and consular posts abroad.

Physical Security at Residences $17,105,000. These funds will provide for materials, construction and installation of physical security upgrades at residences of approximately 9,600 employees of all foreign affairs agencies. This five-year program will be accomplished with a total cost of $142,762,000.

During the five-year period we anticipate making extensive improvements at the residences of approximately 750 employees at critical threat posts, moderate improvements at 5,300 residences at high and medium threat posts, and minimum improvements at approximately 3,550 residences at low threat posts.

Phase One in Fiscal Years 1986-1988 will provide minimum, upgrade, alarm and safehaven packages at all Critical Threat and selected High Threat posts. Phase Two in Fiscal Years 1989 and 1990 will complete the installation of minimum, upgrade, alarm and safehaven packages at High, Medium and Low Threat posts.

Improvements will range from the installation of solid core exterior doors, door and window locks, door viewers, and lighting at the entrances and exits at low threat posts to the installation of grills, alarm systems, internal safehavens, communications nets, fences and perimeter lighting at critical threat posts.

The five-year costs are as follows:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
	$17,105	$27,743	$4,149	$56,875	$36,890	$142,762

Residential Security Guard Services, $50,385,000. This five-year program will provide funds for necessary contract guard services at critical and high threat posts. At our critical posts, these services will consist of 24-hour fixed guard coverage at all residences as well as armed patrols with emergency response capability. In addition, these posts will receive funds to establish armored security transport for all employees.

Personnel at our high threat posts will have the benefit of guard coverage in the forms of patrols and emergency response teams. In addition, these funds will provide static guards for the residences of Chiefs of Mission, Principal Officers, and individuals against whom there is a specific threat.

STATE - SECURITY

The estimated cost for contract guard personnel performing patrol, emergency response and static guard and armored security transport services is $37,044,000 in the first year. The estimated cost for vehicles, uniforms, weapons, ammunition, training, and other operational support at these posts is $13,341,000 in the first year.

The five-year costs for guard personnel and guard equipment are as follows:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Guard personnel........	$37,044	$53,905	$65,284	$72,513	$80,382	$309,128
Guard equipment........	13,341	3,591	4,998	5,150	5,317	32,397
Funding................	50,385	57,496	70,282	77,663	85,699	341,525

Residential Security Support, 49 Positions (Americans) and $4,032,000. In order to provide adequate levels of direct administrative and managerial support for the implementation of this major worldwide program, an additional 79 American positions will be required during the next five years in Washington and overseas. The five-year costs for these positions are as follows:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Residential security unit..................	$745	$1,243	$1,326	$1,379	$1,434	$6,127
Residential security support staff.........	3,287	7,298	7,353	7,647	7,952	33,537
Funding................	4,032	8,541	8,679	9,026	9,386	39,664
Positions..............	49	79	79	79	79	79

Justification for the additional positions and support costs follow:

-- Residential Security Unit, 19 positions and $745,000. Nineteen domestic-based positions will be required to staff a new Residential Security Division. One Senior Security Officer (FS-01) will provide overall supervision and policy direction for the residential security program and fifteen Security Officers (FS-02) will serve as program managers for the design, survey, procurement and training support for the implementing activities in the geographic bureaus. Three secretarial support positions (GS-06) for the new unit will provide clerical and data entry assistance.

-- Residential Security Support Staff, 30 positions and $3,287,000. These FS-03 officer positions (30 in FY 1986 and an additional 30 in FY 1987) will be required to support this program overseas. They will be assigned to the critical and high threat posts which are scheduled for improvements. Effective implementation in the initial stage and the recurring activities associated with maintenance and changing conditions requires a dedicated, post-based individual capable of supervising the installation and maintenance of the new residential physical security systems. Overseas staffing levels for this type of activity are considered inadequate to handle the increased procurement, shipping, contracting and supervision anticipated. These officers will be tasked not only with ensuring that each existing residential property is properly upgraded to the Department's physical security standards but also with ensuring that any new residence added to the overseas mission is adequately equipped to protect U.S. personnel. In addition, these officers will support the management requirement for residential guards that will be needed at many locations.

Perimeter Security Program, $59,827,000.

There is a need for improved perimeter protection at our threatened posts. Funds available in FY 1985 have allowed us to make improvements at 152 posts. However, we have identified the need to make additional improvements. The additional funds are necessary to upgrade perimeter defenses to meet current physical security standards and expand the scope of our security program to include perimeter improvements at annex buildings, Marine Guard quarters and Principal Officer residences.

Specifically, we will be using these funds to:

-- Construct major improvements meeting current physical security standards at 17 posts, all of which have received interim improvements under the FY 1985 Security Supplemental program; and

-- Survey for and construct major improvements at an additional 46 posts, 11 of which have received interim improvements under previous programs.

At posts where the construction of new office buildings is proposed, we are taking only those measures necessary to protect against security threats to our current facilities until the new buildings are completed. Finally, the requested funds will provide for improved security at USIA Binational Centers.

The five-year costs for perimeter barrier improvements are as follows:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
	$59,827	$44,074	$9,840	$10,637	$11,464	$135,842

Engineering Support, $1,210,000:

Physical Security Contractual Engineering Support, $1,210,000. During the past five years, the accelerating workload has required the Bureau of Diplomatic Security to contract for additional engineering services in such areas as electronics and electrical engineering design, installation of technical security systems and equipment, engineering management, quality control, failure analysis, and warehouse support. This has been done in order to facilitate the design, procurement, shipment and installation of security systems and equipment for overseas installations.

The requested funds would be used to contract for 15 engineering employee staff-years to fulfill engineering requirements for security upgrades related to programs such as security systems installations under the Counterterrorism and new office buildings programs, Classified Information Handling Systems and Post Communication Centers. Also included are resources to finalize an agreement between the Department of State and Dynalectron Corporation for dedicated security construction and engineering support of USIA projects.

The five-year costs for physical security engineering contract support are as follows:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
	$1,210	$2,423	$4,600	$5,780	$5,693	$19,706

Engineering Services Offices Design Systems, $--. The increased tasking placed on our nine Engineering Services Centers (ESCs) and twenty-five Engineering Services Offices (ESOs) located overseas necessitates the automation of many functions now done manually. Security surveys and installations always generate large numbers of technical documents such as electrical and conduit drawings, floor plan layouts, and various forms of blueprints and mechanical drawings. Thirty-four computer-aided engineering and design systems, one for each ESC and ESO, are requested. These systems would significantly improve the efficiency of our engineering security personnel. Technical and threat profiles would also be maintained in an encrypted format on these systems. Exchange of data among posts would be significantly improved. Also, a computer graphics design system is required for use by architects and designers for USIA.

The five-year costs for the software and to install and maintain hardware for these thirty-four systems are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
	$--	$550	$3,740	$2,095	$2,475	$8,860

Countermeasures and Counter-Intelligence Programs, 31 positions (Americans) and $10,132,000:

Technical Countermeasures Programs, 24 positions (American) and $9,362,000. The findings of the Advisory Panel on Overseas Security revealed substantial technical vulnerabilities in overseas diplomatic facilities. Our technical security defensive posture is ineffective against the highly sophisticated penetration systems used by hostile intelligence services. The quality and sophistication of the present technical threat exceeds the countermeasures capability of the Department and the security community in general. These advanced penetration methods provide a clear message that our overseas missions will continue to be vulnerable unless a rapid and substantial investment is made to acquire resources to counter the present threat and to anticipate more advanced offensive techniques in the future.

A modest testing and evaluation program has been initiated to analyze possible penetrations in a new construction project of the Department. Through interagency coordination, it has been possible to assemble and deploy selectively a small group of operational and defensive experts with unique, specially-designed countermeasures systems. Those efforts have demonstrated that highly specialized methods and technologies can be applied successfully against sophisticated technical threats. Such an approach provides a concentration of talent and resources against a limited number of targets, but will not sustain a worldwide technical protection posture at all the facilities for which the Department is responsible. A more substantive and ambitious program is required. Unless a pool of expertise and systems support is significantly and rapidly increased, we are assured of having a continuing vulnerability to technical attacks.

The request provides a comprehensive approach to improve our technical countermeasures capability and includes initiatives to: (1) acquire and train personnel to conduct more effective field monitoring of missions and to assemble and deploy specialized teams of countermeasures experts; (2) produce a diversified operational inventory of countermeasure systems capable of detecting technical penetrations and potential vulnerabilities; (3) introduce a program of more rigorous procedures, testing, standards, inspections and packaging to protect sensitive equipments; and (4) impose strict limitations and control on Foreign Service Nationals employed at our overseas posts and to establish alternative hiring programs.

The five-year costs for this program are:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
-- Development and Equipment..........	$6,184	$4,465	$8,258	$32,122	$30,757	$81,786
-- Personnel...........	3,178	4,341	4,454	7,606	7,602	27,181
Funding.................	9,362	8,806	12,712	39,728	38,359	108,967
Positions..............	24	30	30	45	45	45

STATE - SECURITY

Counter-Intelligence Program, 7 positions (Americans) and $770,000. Ten additional positions (four FP-03 case officers and three FP-02 security engineering officers in FY 1986, and three FP-02 security engineering officers in FY 1987) are required. These individuals will handle counter-intelligence personnel investigations, develop technical threat profiles and perform technical counter-intelligence investigations.

The five-year costs for establishing these ten additional counter-intelligence officers are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding................	$770	$1,209	$1,291	$1,324	$1,360	$5,954
Positions..............	7	10	10	10	10	10

Administration of Overseas Guard Program, 20 positions (Americans) and $5,004,000:

Contract Guards, $3,090,000. The perimeter security improvements that have been implemented include a number of new security systems and equipment. These include such measures as barriers and gates that can be raised and lowered at vehicle entrances to the post compounds and closed circuit television monitoring systems. These systems require additional local guard personnel to monitor and operate them. To meet this additional requirement, $3,090,000 is requested to continue the contracting of local security guards to operate the systems installed. Also included are resources for security guards at USIA facilities and VOA relay stations.

The five-year costs for this portion of the contract guard program are as follows:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
	$3,090	$6,345	$11,807	$15,890	$17,301	$54,433

Assistant Regional Security Officer Positions, 15 positions (Americans) and $1,671,000. Because of the serious security situation at high threat posts and because of the high rate of crime directed against American employees and their dependents in many locations, local guard forces have proliferated to cope with these threats. Many posts abroad now have very sizable local guard forces. However, there are currently no dedicated American supervisory or contract personnel to oversee these forces. Therefore, there is no workable way to increase their efficiency and professionalism. The assignment of dedicated personnel is requested at critical threat posts, as well as at all posts having local guard forces in excess of 100 personnel. Posts to be staffed over FY 1986 and FY 1987 are Accra, Ankara, Athens, Bangkok, Beirut, Bogota, Cairo, Colombo, Dar es Salaam, Dhaka, Guatemala, Kampala, Khartoum, Islamabad, Jakarta, Kinshasa, Lagos, Lima, Lisbon, Manila, Mexico City, Mogadishu, Monrovia, Nairobi, New Delhi, Paris, San Jose, San Salvador, Tegucigalpa, and Yaounde. It is planned to deploy FP-03 Assistant Regional Security Officers to train, administer and professionally develop these forces.

The five-year costs for assigning 30 additional security officers overseas to manage local guard forces are as follows:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding................	$1,671	$3,867	$3,840	$3,927	$4,009	$17,314
Positions..............	15	30	30	30	30	30

Administration of Local Guard Force Programs, 5 positions (Americans) and $243,000. Beginning in FY 1986, the Bureau of Diplomatic Security assumed full financial and management responsibility for the administration of all local guard forces overseas. In support of this program two budget and management officers (GS-[illegible]), two security officers (FP-02), and one support secretary (GS-05) are requested. This staff will 1) provide financial management; 2) allow for the professional development of guard forces; 3) disseminate guidance to posts on areas such as training of RSOs and local guards; and 4) professionally inspect and evaluate the efficiency of local guard programs. The requested funds provide for position and contractual support.

Five-year costs for establishing these positions to administer the operations and financial responsibilities of the local guard program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding................	$243	$279	$295	$306	$320	$1,443
Positions..............	5	5	5	5	5	5

Security Vehicle Program, 1 position (American) and $43,000:

Light Armoring Program, 1 position (American) and $23,000. Currently there is only one full-time permanent position supporting both the light armored and the fully armored vehicle programs. Given the expanding scope of the light armoring program, an additional FP-03 position is requested.

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The five-year costs associated with establishing a position to administer the Department's light armoring program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding................	$23	$64	$76	$78	$81	$322
Positions..............	1	1	1	1	1	1

Security/Follow Car Program, $20,000. The increased threat to Chiefs of Mission has necessitated an expanded fully armored vehicle program. Current requirements indicate that over 60 Chiefs of Mission with an armored vehicle also have or are projected to have a protective security detail. The current follow cars for these protective details are from six to eight years old and are at the end of their life cycle. Since this aging inventory was a one-time purchase, there is currently no base budget to support their replacement. The new vehicles must be heavy duty, light armored, four-door police package vehicles equipped to meet local emergency vehicle standards. The requested funds over a five-year period will be used to purchase, armor, equip and ship 65 security/follow vehicles.

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
	$20	$10	$1,889	$2,300	$1,962	$6,181

Special Protective Equipment (SPE) Program, 2 positions (American) and $588,000:

There are no funds available for special protective equipment (SPE) such as arms, ammunition, and defensive materials other than for replacement weapons and the normal necessary supplies for maintenance. Increased inventories of this equipment will be required to support the expansion in overseas security activities envisioned in this request.

The five-year costs associated this increase for the Special Protective Equipment (SPE) Program are:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Weapons Maintenance...	$62	$88	$93	$97	$101	$441
Special Protective Equip and Ammunition.	526	675	944	966	588	3,699
Funding................	588	763	1,037	1,063	689	4,140
Positions..............	2	2	2	2	2	2

Justification for the additional positions and support costs follows:

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Weapons Maintenance, 2 positions (American) and $62,000. The Department maintains a current base of 6,000 weapons. It is anticipated that 4,200 weapons will be added to this inventory by 1986. This expansion is attributed to the increase in the number of agents (over 400) and local guards (approximately 2,000) and the new revolvers issued to Marine Security Guards (1,800). All of these weapons must be inventoried and serviced. The current staff of one armorer and one Marine assistant has consistently not been able to keep up with necessary service requirements. Two additional armorers are requested to keep pace with the expanding demand for weapons maintenance.

Additional Special Protective Equipment and Ammunition, $526,000. The additional security officers and local guards translate into a need for 1,200 new weapons. At an average price of $200 each, this requirement is $240,000. An additional $50,000 must be included for associated support supplies such as cleaning kits, holsters and loaders. The initial and ongoing training for the new hired agents and guards means a necessary increase of $50,000 for ammunition, storage and shipping.

Currently, the Marine Corps provides the Marine Security Guards (MSGs) with .38 caliber revolvers. he Marine Corps is phasing out non-automatic revolvers for military guards and replacing them with 9mm automatic handguns. The use of 9mm automatic handguns by the MSGs is not suited to the embassy environment. In order to equip the MSGs with non-automatic revolvers, the Department is planning to phase-in the deployment of .357 magnum handguns. The requested funding of $186,000 provides 400 weapons for issuance, training and emergency reserve, and associated holsters, ammunition and shipping costs.

Regional Security Officers, 2 positions (Americans), and $250,000.

The requested funds will provide for the establishment of two Regional Security Officers (RSOs) -- one in Addis Ababa and one in Dakar.

The increasing responsibilities of security officers require that their regional responsibilities be reduced to a manageable level. The U.S. mission in Addis Ababa operates in an extremely difficult security environment. In several significant ways the security concerns in Addis Ababa are comparable to those in Eastern European posts. It has been difficult to provide the Addis Ababa mission with a reasonable level of coverage from RSOs located in other African posts. In order to provide adequate security services, one FP-02 security officer is required in Addis Ababa.

The RSO currently stationed in Dakar provides security services to that post as well as to four constituent posts. The security workload in Dakar itself requires the presence of one full-time resident security officer. In addition to the routine workload, the incumbent must handle expanded residential security requirements, local guard force supervision and emergency action planning. To provide adequate security coverage to the constituent posts as well as necessary back up support for the current RSO, one FP-03 assistant RSO is requested.

The five-year costs for establishing two RSOs are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding................	$250	$286	$239	$245	$249	$1,269
Positions..............	2	2	2	2	2	2

Terrorist Threat Analysis, 9 positions (Americans) and $221,000.

The Office of Security's Threat Analysis Group is currently comprised of seventeen positions: one chief, seven senior analysts, seven research assistants/analysts, and two secretaries.

The Threat Analysis Group (TAG) is responsible for analyzing all operational intelligence specific to threats to Americans overseas. The Group prepares threat assessments for travel by the Secretary of State and other Department officials, foreign dignitaries, senior officials of other U.S. government agencies (including the Agency for International Development and United States Information Agency), and Congressional members and their staff. In addition, the Group provides terrorist awareness briefings for government officials and U.S. corporate security directors and trains new agents, regional security officers, and federal/local law enforcement officials. Members of the Group have participated in the debriefing of hostages and interviewed terrorists and other persons claiming to possess information relative to the security of Americans overseas and foreign dignitaries within the U.S.

Following the bombings of the American Embassy and annex in Beirut and the multiple bombings in Kuwait, the day-to-day responsibilities of the Group broadened significantly and requests for threat assessments and training sessions tripled. New requirements for the use of TAG analysts will cause a significant strain on the current staff and resources. The following are examples of these requirements:

— Future overseas trips of the Secretary of State will require the senior area analyst to travel to countries with significant threats or potential for threats. The analyst will be responsible for liaison with post personnel and host government officials to ensure that all intelligence which could affect the security of the protectee is analyzed and passed to the appropriate security personnel for determination of additional security measures.

-- The Emergency Reaction Team includes the participation of the senior TAG analyst for that region.

-- The Interagency Hostage Debriefing Team also utilizes senior TAG analysts.

Due to this expanded workload, the Advisory Panel pointed out that the current level of resources the Department devoted to operational threat information gathering and analysis was not adequate.

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This request proposes to establish nine additional positions for tactical terrorist threat analysis. The requested positions are six senior analysts, one research assistant and two secretaries. As proposed, the six analysts will be responsible for both foreign and domestic analysis. The research assistant will assist the senior analysts, as needed, and will be primarily responsible for data collection, analysis and entry into the Terrorist Data Base (TDB), updating and editing the system and developing analytical pieces derived from TDB data.

The five-year costs for the Threat Analysis Group proposal are as follows:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Personnel costs......	$79	$463	$494	$513	$534	$2,083
Other operating......	142	132	119	118	118	629
Funding................	221	595	613	631	652	2,712
Positions..............	9	9	9	9	9	9

Protection of Foreign Dignitaries and Missions in the U.S., 126 positions (Americans) and $4,865,000:

Additional Special Agents for Protective Security, 25 positions (Americans) and $1,050,000. After examining a number of options on how the U.S. Government might best proceed in fulfilling its responsibilities for the protection of visiting foreign dignitaries, the Advisory Panel on Overseas Security concluded that the Department of State was the most logical organization to accommodate the immediate needs in this area. The increasing need to protect U.S. officials overseas, as well as other important new programs, has drained the personnel base traditionally used for the protection of visiting foreign dignitaries. This in turn has led to a perception that the Department is not as professional in performing this function as are other government agencies in similar roles.

The Advisory Panel clearly based its standards for the accomplishment of the protective function on those established by the U.S. Secret Service as the accepted norm in staffing protective security details in a professional manner. The techniques and methodology used in dignitary protection are the same as those used by the Department in the protection of our own officials and facilities abroad. In addition, the personnel skills that are developed and practiced on protective details -- such as assimilating information and responding to crisis situations quickly, dealing with high-level American and non-American officials on sensitive topics, and leadership skills -- are the same as those desired in overseas Regional Security Officers.

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Since 1980 the Department of State has had an average of 137 protective details annually. The peak period for details has traditionally been during the course of the United Nations General Assembly (UNGA) which is held every autumn in New York City. During the five weeks of UNGA, it is not unusual for the Department to provide as many as 15 separate protective details for various foreign dignitaries. In addition to UNGA, however, the requirement for protective details can typically reach similar levels several times during the year. Using the U. S. Secret Service staffing standards as the norm and calculating the resources required to accommodate the peak periods of security involvement, there is a demonstrated need for at least 300 qualified protective agents to be on duty at a given time.

At the present time, the Department has on average about 120 agents qualified for protective duties. Thus, this request represents a total net increase of 180 agents-- 25 in FY 1986, 80 in FY 1988 and 75 in FY 1989 -- to provide the Department with the required level of 300 agents available for protective activities over the next four fiscal years. These 180 additional agents will be assigned to the Department's security field offices in the United States. When not staffing protective details, these agents will be actively involved in background and criminal investigations, liaisons with local governments and foreign missions, training, and other security-related duties.

Support costs for this program include overtime, travel, office space, equipment and furniture, training, protective equipment, and armored vehicles. The five-year resource requirements for this program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Vehicles...............	$259	$115	$1,450	$1,340	$900	$ 4,064
Salary & Support.......	791	1,685	5,381	10,720	11,819	30,396
Funding................	1,050	1,800	6,831	12,060	12,719	34,460
Positions..............	25	25	105	180	180	180

Protection of Diplomatic and Consular Officials in the U.S., 95 Positions (Americans), and $2,514,000. Under International Law and the terms of the Vienna Conventions, the U.S. Government is obliged to ensure the safety and security of foreign missions and accredited diplomatic personnel in the U.S. The Foreign Missions Act of 1981 establishes the Department of State as the agency responsible for the protection of foreign officials in the U.S. It further authorizes the Secretary of State to provide direct security support to foreign missions and officials. The level of protection provided to foreign missions and officials in the U.S. relates to the Department's ability through reciprocal arrangements to obtain adequate security for our overseas diplomats and facilities. The Department has consulted with U.S. Secret Service and the Department of the Treasury on this matter. Both agencies fully support the Department's request for resources to support this program.

At the present time, the Uniformed Division of the U.S. Secret Service provides protection limited only to foreign chanceries and residences in Washington, D.C., through static posts and roving patrols. The number of embassies which receive static guard protection at any one time rarely exceeds five. Local police forces throughout the Washington Metropolitan area have assumed limited responsibility for the protection of residences of foreign officials within their jurisdictions.

As terrorist incidents increase worldwide, the demand for protection of foreign diplomats throughout the U.S. has expanded proportionately. Since most terrorist attacks occur outside the office and residence, threatened foreign diplomats in Washington, D.C. are extremely vulnerable without some form of personal protection. The Department has received increased demands for protection of ambassadors of foreign missions in Washington, D.C., as well as from consular officials elsewhere in the U.S. Despite these requests, the only protection offered by Department personnel at this time is augmentation of the Saudi Arabian ambassador's protective detail. Other Persian Gulf States have demanded similar protection, and one recently threatened to withdraw its ambassador if protection was not provided.

Protection of foreign officials outside of Washington, D.C. has been provided by either state and/or local police departments or by private security contractors. As an example, the Department has contracted the services of a private security firm to protect the Turkish consulate and officials in Los Angeles, an arrangement that has been far from satisfactory. Because of limited resources and because it cannot legally protect individuals outside of its jurisdiction, the Washington Metropolitan Police Department cannot provide the personal protection demanded by foreign diplomats. The use of private security contractors is impractical, since they are not permitted to carry weapons in Washington, D.C., or carry weapons into most other jurisdictions.

In order for the Department to provide direct personal protective support to foreign officials in the Washington area and elsewhere in the country, 190 positions are requested (95 in FY 1986 and 95 in FY 1988). Of this total, 180 will be special agents and 10 will be support personnel. The special agent positions will be used to staff ten details for foreign diplomatic and consular officials requiring such protection. These positions will also be used in emergency situations to protect visiting foreign officials. The support personnel will handle training, logistics, and clerical support. The request includes funding for office space, training, protective equipment, travel, overtime, and other support costs.

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The five-year resource requirements for this program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Vehicles.............	$920	$300	$2,210	$2,300	$2,000	7,730
Support..............	663	1,931	3,644	1,652	1,914	9,804
Salary & Benefits....	931	3,704	6,412	8,326	8,660	28,033
Funding................	2,514	5,935	12,266	12,278	12,574	45,567
Positions..............	95	95	190	190	190	190

Protective Technical Program, 6 positions (American) and $1,301,000. In order to establish a protective technical program, an additional nine FP-02 security engineers and a GS-05 secretary for the Washington Engineering Services Center (WESC) are requested -- six in 1986 and four in 1988. The augmentation of WESC will provide the nucleus for performing dedicated technical services support to the Secretary of State's Protective Detail while in travel and maintaining a technical countermeasures role in the Secretary's Suite. This component will also install and maintain protective security systems (e.g., alarms, metal detectors, etc.) in support of visits by foreign dignitaries. In addition, this group will implement access control improvements and perform technical security inspections at domestic State Department field offices.

The five-year resource requirements for this program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Equipment..............	$552	$1,224	$1,196	$1,537	$1,526	$6,035
Personnel..............	749	446	1,178	856	890	4,119
Funding................	1,301	1,670	2,374	2,393	2,416	10,154
Positions..............	6	6	10	10	10	10

Foreign Service Security Training, 38 Positions (Americans) and $9,060,000:

One of the major areas reviewed by the Advisory Panel was the subject of training, both for professional security officers and for the employees and dependents of the Department of State and the other foreign affairs agencies. The hallmark of any highly professional organization is the emphasis it places on developing its resources through training. For example, the Panel reported that the protective agents of the U.S. Secret Service regularly spend 10% to 20% of their workyear on regular and refresher training. This is an admirable goal, but one that the Department has been unable to approach in the security function due to the mounting workload and the shortages of both trained and experienced instructors and of professional security officers.

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In general, training can be one of the most cost-effective means of improving the skills and abilities of personnel and the overall performance of an organization. The Advisory Panel made a number of specific recommendations for improving the quality and significantly expanding the quantity and scope of the training offered by the Department in security and security-related areas. This section presents the programs developed by the Department of State in response to the comments of the Advisory Panel and to the existing known requirement for additional and enhanced training. It is divided into four program areas: professional security personnel training, Foreign Service personnel training, security training center, and training support.

Professional Security Personnel Training, 28 positions (American) and $3,972,000. It is the Department's intent to enhance significantly our ability to train our agents and to provide security-related training for other Foreign Service personnel. The current Education and Training Staff (E&T) in the Bureau of Diplomatic Security is composed of eleven special agents and three secretaries. Very few of the agents in this assignment have any formal teaching experience and none is a professional educator. To provide an appropriate level of security-related training, additional resources are required for the following specific programs: (A) security training course design and development, (B) specialized security training, (C) overseas guard force and post security officer training, (D) general security training, (E) the Federal Law Enforcement Training Center, (F) training information, and (G) reimbursement of the U.S. Secret Service for training.

The five-year resource requirements for these programs are:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding..............	$3,972	$7,392	$10,457	$11,089	$11,534	$44,444
Positions............	28	59	72	72	72	72

Detailed justification for the additional positions and support costs follows:

A. Security Training Development, 3 positions (American) and $1,019,000. In order to improve our training capability, three professional educator positions (GS-14) are requested. These individuals will be responsible for course design and development; staff training and quality control of the teaching performed; and oversight of the development and publication of training materials, manuals and other training resources. Existing course material will be upgraded and new material will be developed as rapidly as possible without any loss or compromise on quality. This will be accomplished with contractual assistance. Specific courses to be improved and developed are identified below:

Special Agent Basic Training Course	$60,000
Regional Security Officer Course	60,000
Instructor Training/Teaching Skills	50,000
Regional Marine Officer Course	25,000
Security Awareness Briefing	50,000
In-Service Topics for SA/RSO	150,000
Protective Liaison State & Local Law Enforcement	50,000
Word Processing/Computer Courses	50,000
Materials & Manuals, Support	175,000
Physical Security Module	60,000
Management of Guard Forces Module	60,000
Development of a standard grading technique for security training	50,000
Total	840,000

The five-year resource requirements for the Security Training Development are:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries and support.	$179	$238	$248	$257	$268	$1,190
Other Operating......	840	400	416	433	450	2,539
Funding..............	1,019	638	664	690	718	3,729
Positions............	3	3	3	3	3	3

B. Specialized Security Training, 9 positions (American) and $459,000. In addition to the three general educators discussed above, twenty-two specialized positions will be added to the training staff in FY 1986-1988. In FY 1986 this request includes three FP-02, four FP-03 and two GS-12 instructors; the FY 1987 request is for three FP-02, five FP-03 and two GS-12 instructors; and in FY 1988 a total of one FP-02 and two GS-12 instructors are requested. Many of these positions represent teaching activities currently performed by staff from the appropriate office who serve as guest speakers. This 'collateral duty' approach is neither the most efficient nor the most professional method of providing this specialized instruction. These positions will provide trained instructors with specific expertise in their topic. They will give continuity to the presentations. At the same time, the operational offices will be relieved of the need to provide instructors, which will enable them to focus their staff resources on their primary missions. In some cases, new positions are being requested for certain specialities outlined below. In all cases these instructors would be available to teach other security-related subjects as time and skills permit.

The FY 1986 requested positions are as follows:

-- Physical Security, 1 instructor and $58,000. In support of overseas security operations, training seminars are conducted for General Services Officers (GSOs), Regional Security Officers (RSOs), Security Engineering Officers (SEOs), and Seabees, as well as security officers from friendly countries. Speakers are also provided to address meetings of professional organizations and commercial firms. With the emphasis on physical security, the requirement has grown considerably. It is no longer possible to do this on an ad hoc basis. One full-time direct-hire position at the FP-02 level is required to provide continuity and expertise in overseas security operations.

-- Counter-Intelligence, 1 instructor and $58,000. The requested funds provide for the establishment of one FP-02 counter-intelligence instructor and associated support costs. The incumbent will be responsible for handling special counter-intelligence training of professional security officers and other Foreign Service employees.

-- Technical Countermeasures, 1 instructor and $58,000. We currently have a staff of four security engineers who provide the base for our technical countermeasures training. We propose to establish a total of six additional FP-02 security engineers for training and their support and equipment by FY 1987. One of these is requested for FY 1986.

-- Marine Security Guards, 1 instructor and $46,000. The requested funds in FY 1986 provide for support costs for one GS-12 instructor. The MSG School is significantly increasing the number of classes. The Department currently has only one instructor assigned part-time to this program.

-- Firearms Speciality, 1 instructor and $48,000. There is now only one full-time firearms instructor who also serves as the firing-range master. The increase in the number of security agents, as well as the addition of firearms training for Foreign Service personnel assigned to high threat posts, requires additional firearms instructors on a full-time basis. The requested funds provide for support costs for the one FP-03 instructor.

-- Physical Fitness Program for Security Officers, 1 instructor and $49,000. The requested funds will provide for the establishment of one full-time FP-03 director of a physical fitness program for security officers in FY 1986. This program is to be managed in concert with the Office of Medical Services (M/MED). The manager will coordinate the overall Physical Fitness Program for security officers. By FY 1987, we propose to establish an additional position for this program.

-- Protective Training for State and Local Law Enforcement Authorities, 1 Instructor and $48,000. The Advisory Panel report recommended that the Department offer formal training of state and local law enforcement officials who are involved in providing protection to foreign officials and missions. The requested funds provide for travel, per diem, training materials and other support for one FP-03 instructor for this purpose. An additional position is proposed for this program in FY 1987.

-- Basic Special Agent, Regional Security Officer and Professional In-Service Training; 1 Program Manager/Instructor and $48,000 in FY 1986 and 3 positions in FY 1987. In-service training for security agents has been limited in the past. The requested funds provide for a FP-03 instructor to provide in-service training to all security officers and to develop programs to provide for training in areas of professional interest.

-- Computer/WP Specialty, 1 Instructor and $46,000. To permit in-house teaching of costly word processing and computer topics, the requested funds provide for one GS-12 automated systems instructor and support costs.

The five-year resource requirements for Specialized Security Training are:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding..............	$459	$1,073	$1,419	$1,523	$1,584	$6,058
Positions...........	9	19	22	22	22	22

C. Improved Post Security Personnel Training, 6 Positions (American) and $1,552,000. The Mobile Training Team (MTT) program currently consists of an office director, 15 instructors and a secretary. The instructors comprise five training teams of three persons each. It is estimated that these teams will visit 48 posts a year for an average of three weeks per visit to provide specialized, counterterrorist training.

This rate of training team visits is not sufficient for the mounting requirement for training of post personnel, including of the local guard forces. A total of 23 additional positions is requested (6 in FY 1986, 11 in FY 1987 and 6 in FY 1988) -- nineteen FP-03 instructors, one GS-05 administrative support officer, two GS-07 logistics officers, and one GS-05 support analyst -- to expand the number of posts visited each year. The FY 1986 request includes four instructors, one logistician and one support officer. Funds are also requested to contract for special skills to assist the MTT personnel as needed. For example, this could involve contracting for Emergency Medical Training instructors to accompany the MTT when that topic is part of the planned course of instruction and the MTT personnel do not have the expertise to teach it. These positions would enable us to reorganize the MTT into six additional teams of three persons each. This arrangement would allow the MTT to visit approximately 120 embassies per year, and to devote more attention to the training of the local contract guard forces. This would enable the MTTs to implement the recommendations of the Advisory Panel that every foreign service post be visited by an MTT at least every two years, and that the MTTs increase the amount of training given to the local guards. In addition, it is recognized that there will be a necessity to visit high threat posts on an unscheduled basis in response to an increased threat or a security upgrade project.

Post Security Officers (PSOs), usually the administrative officer, are responsible for security activities at posts which do not have a resident professional security officer. MTT members currently provide only five hours of basic orientation about this security function during the Administrative Core Course at the Foreign Service Institute (FSI). In response to a recommendation of the Advisory Panel, this training will be expanded to a five-day program with comprehensive coverage of the PSO function. Included in the course will be training on the supervision of the MSG Detachment and supervision and management of the local guard force. This PSO course would be available in Washington; however, it is expected that much of this training would initially be provided by the Mobile Training Teams on a regional basis. This would allow for not only the general course but also for specific area specialization. The staff required to support this course would be two additional instructor positions which are included in the total requested above.

The five-year resource requirements for Improved Overseas Security Guard and Post Security Officer Training are:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries and support.	$255	$817	$1,289	$1,459	$1,518	$5,338
Other Operating......	1,297	2,458	2,556	2,660	2,767	11,738
Funding..............	1,552	3,275	3,845	4,119	4,285	17,076
Positions............	6	17	23	23	23	23

D. General Security Training, 5 positions (American) and $240,000. Currently a staff of eleven instructors teaches all general security courses such as Security Awareness Briefings and Coping with Violence Abroad. The demand for instructors is such that all staff instructors are frequently scheduled to teach weeks in advance and very limited amounts of time are available for research and upgrading of lesson plans. Unexpected absences of an instructor for whatever reason cause significant scheduling problems.

With the expected increase in security personnel and the corresponding increase in overall teaching load, the number of professional instructors for these courses must be increased. Twelve additional generalist teaching positions, four FP-02s and eight FP-03s, are requested by FY 1987 (5 in FY 1986, 5 in FY 1987 and 2 in FY 1988). The addition of these positions will permit better staff scheduling and allow for research and preparation time so instructors will be better prepared for each class. These positions will also allow for an increase in staff to compensate for the expected increase in the number of classes and the corresponding teaching assignments.

The five-year resource requirements for General Security Training are:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding..............	$240	$561	$756	$820	$853	$3,230
Positions............	5	10	12	12	12	12

E. Federal Law Enforcement Training Center, 1 position and $58,000. This position would serve as liaison with the Federal Law Enforcement Training Center in Brunswick, Georgia for security agents attending the Federal Criminal Investigator School and any in-service training such as the Treasury Enforcement Communications System (TECS) or White Collar Crime Courses. The incumbent will also be involved in teaching as time permits. This position will greatly facilitate our ability to provide training for new agents plus work with our in-service training program manager to provide programs for our experienced cadre of senior agents. The requested funds provide for the establishment of one FP-02 manager/instructor.

The five-year resource requirements for the Federal Law Enforcement Training Center are:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding..............	$58	$70	$73	$76	$79	$356
Positions............	1	1	1	1	1	1

F. Documentation and Information Staff, 4 positions (American) and $644,000. The Bureau of Diplomatic Security is responsible for updating, publishing and distributing fifteen security and training manuals, handbooks and catalogues. This effort, which is done by the existing staff on a collateral duty basis, is seriously in arrears. We must expand to provide for development and drafting of a wide variety of new security standards, handbooks and technical manuals as well as revision of the existing materials. We also need to produce security awareness materials, instruction aids and briefing handouts. By FY 1988, we intend to establish a professional writing, editing and research staff. The new staff would be responsible for preparing and publishing all Foreign Service security training materials. This staff would include one GS-14 Publications Editor/Manager, four GS-13 Researchers/Writers, two GS-11 research assistants, two GS-05 clerical staff, and two GS-07 shipping & logistics officers. The request also provides for an information system, printing, and other support-related expenses. The four positions requested in FY 1986 are one GS-14 Editor/Manager, two GS-13 Researcher/Writers and one GS-05 secretary.

The five-year resource requirements for the Documentation and Information Staff are:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Other Operating......	$450	$1,068	$1,111	$1,155	$1,201	$4,985
Salaries and Support.	194	457	589	626	651	2,517
Funding..............	644	1,525	1,700	1,781	1,852	7,502
Positions............	4	9	11	11	11	11

G. Reimbursement of U.S. Secret Service for Protection Training, $--. The Advisory Panel on Overseas Security concluded that the U.S. Secret Service should provide protective training on a reimbursable basis to the Department of State's protective agents. Specific training arrangements have not been made as yet. However, it is our intent to implement this recommendation starting in FY 1987.

The five-year resource requirements for Reimbursement of U.S. Secret Service for Protection Training are:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding..............	$--	$250	$2,000	$2,080	$2,163	$6,493

Expanded Security Training for Foreign Service Personnel, 4 positions (Americans) and $755,000. This program area is to provide enhanced security training to Foreign Service employees and their dependents other than security personnel. Three specific programs are included: (A) expanded security awareness training for personnel serving at high threat posts, (B) expansion and improvement of the "Coping with Violence" course for employees and dependents, and (C) orientation for spouses of Marine Security Guards and Seabees assigned abroad.

The five-year costs for Expanded Security Training for Foreign Service Personnel follow:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding...............	$755	$1,089	$2,016	$2,087	$2,164	$8,111
Positions.............	4	7	7	7	7	7

Justification for the additional positions and support costs follow:

A. Expanded Security Awareness Training for Personnel Assigned to High Threat Posts, 3 Positions (American) and $542,000. All Foreign Service personnel going to overseas posts currently attend the "Coping With Violence Abroad" seminar. This course is being reevaluated to improve the materials offered and to provide additional relevant topics, as recommended by the Advisory Panel. The Panel also recommended that Foreign Service personnel assigned to high threat posts be offered the opportunity to take additional training in firearms and evasive driving skills. This program provides for the development and commencement of the optional "hands-on" training elements.

It is estimated that 400 Foreign Service personnel and dependents would elect to attend this course. The course would be designed to include personal defensive tactics, firearms familiarization and defensive driving tactics training. The requested funds provide for support of three FP-03 instructors; weapons, ammunition and related supplies; and travel and per diem for students. Rental of a commercial weapons range is discussed below. Three additional firearms instructors will be needed by FY 1987 to handle the expanded training workload.

The five-year resource requirements for the expanded security awareness training:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Other Operating...	$438	$453	$1,310	$1,351	$1,386	$4,938
Salaries & Support	104	337	372	386	402	1,601
Funding............	542	790	1,682	1,737	1,788	6,539
Positions..........	3	6	6	6	6	6

B. Expand and Improve the "Coping With Violence Abroad" Seminar, 1 Position (American) and $105,000. The segments of the current, one-day seminar are to be improved after analysis and redesign of content. The seminar is being expanded to an additional day with the addition of new topics requiring the development of new course material and visual aids.

Currently the DSS Training Center provides briefings on personal and family security overseas. Topics include travel precautions, residential and transportation security, terrorism awareness, the criminal threat overseas and explosives recognition information. We intend to contract for a reevaluation and upgrading of this material, including the visual aids and films.

The second day of this seminar, which is currently being developed, calls for the DSS Training Center to present lectures on Surveillance Recognition and Principles of Evasive Driving. We intend to contract for the design and development of these courses and related visual aids. The addition of one instructor to the Education & Training Staff will allow that office to assign someone to the seminar on a full-time basis. The addition of an instructor will provide more consistent, higher quality briefings and a capability of updating the course as necessary. The requested funds provide for support for one new FP-03 position, design and development of courses of instruction and materials, films, and slides.

The five-year resource requirements to Expand and Improve the "Coping With Violence Abroad" Seminar are:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries & Support.	35	64	68	71	74	312
Other Operating....	$70	$73	$76	$79	$82	$380
Funding............	105	137	144	150	156	692
Positions..........	1	1	1	1	1	1

C. Orientation for Spouses of Marine Security Guards and Resident U.S. Navy Seabees, $108,000. We currently have no program for providing orientation and training to the spouses of military personnel, such as Seabees and Marine Security Guard non-commissioned officers, attached to our overseas security programs. As a result, spouses arrive at post without training or preparation for life overseas and experience undue adjustment problems resulting in low morale and adverse impact on overall efficiency. These funds would provide $1,000 per person for travel and lodging for 100 spouses and $8,000 for training costs so that spouses could attend the Department of State orientation programs, including the seminar on "Coping With Violence Abroad," held in Washington, D.C.

The five-year resource requirements for Orientation for Spouses of Marine Security Guards and Resident U.S. Navy Seabees are:

($ in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
	$108	$162	$190	$200	$220	$880

STATE - SECURITY

Security Training Center, $3,890,000. The Department is proposing a Security Training Center to consolidate as much security-related training in one location as possible. Completion of this center is planned for 1991. Currently, certain speciality training, such as physical security and technical security engineering topics, are taught by operational staff from those respective offices. The consolidation of all security-related training will permit better scheduling and coordination of courses and a more effective provision of this much-needed training to members of the Foreign Service. Professional instructors will eliminate the need for operational units having to instruct these courses.

The training commitments for the DSS continue to grow. Over the next two years, the DSS expects substantial growth in all areas including specialist agents, security engineering and physical security training. In addition, we will be expanding security training for all other Foreign Service personnel.

The Department will construct a 100,000 square foot Security Training Center to consolidate all Foreign Service security-related training activities. The Center will provide facilities for the training of Special Agents, Regional Security Officers, and others in specialized security subjects. It will also provide facilities for instruction on technical security countermeasures; construction surveillance and techniques; ultrasonic, infrared and microwave intrusion alarms; radio frequency (RF) and infrared flooding techniques; television systems; all electronic defensive equipment deployed overseas; radiological use and safety; telephone and system countermeasures; and safe, vault and lock maintenance, installation and inspection procedures.

The estimated space requirements for the Security Training Center are described below:

1	Auditorium for 150 @ 10 sq ft per student	1,500 sq ft
3	Classrooms for 50 @ 820 sq ft per room	2,460 sq ft
13	Technical Countermeasures Practical Exercise Rooms	19,500 sq ft
10	Classrooms for 30 @ 625 sq ft per room	6,250 sq ft
1	Conference Room for 30	600 sq ft
2	Conference Rooms for 15 @ 300 sq ft each	600 sq ft
1	Student Lounge and Study Areas	1,000 sq ft
45	Offices of various sizes @ avg. of 135 sq ft	6,075 sq ft
6	Open Work Areas	6,075 sq ft
1	Audio Visual Area (Laboratory and storage)	3,000 sq ft
1	Computer/WP training area (CPU Room; Files/ Storage; and classrooms)	2,000 sq ft
1	Library/Student study area	900 sq ft
1	Office Supplies/Teaching Aids Storage Rooms	3,500 sq ft
1	Vault/Storage Areas (for EOD training aids, and Technical Countermeasures Equipment	1,000 sq ft
1	Gym (with locker rooms, showers, weight room, etc.)	24,540 sq ft
1	Weapons Range	21,000 sq ft
	TOTAL:	100,000 sq ft

STATE - SECURITY

Estimated costs for the Security Training Center are as follows:

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
A & E....................		$1,292	$--	$--	$--	$1,292
Construction............	$--		--	5,919	5,000	10,919
Weapons range equipment and ventilation........	--	--	--	--	912	912
Furnishings & equipment	2,468	--	--	--	1,300	3,768
Technical countermeasures material, equipment, devices & construction.	--	--	--	--	10,588	10,588
Property Maintenance	--	--	--	597	621	1,218
Interim rental of space..	1,422	1,422	1,569	1,537	1,598	7,548
Funding................	3,890	2,714	1,569	8,053	20,019	36,245

To provide expanded security training for professional security officers and other Departmental personnel until the new Training Center (Arlington Hall, Arlington, Virginia) is ready, immediate office and training space is required. The space currently occupied by the Training Staff is fully utilized. With the expansion of security training for security and other Foreign Service personnel, we must increase the space available to the Training Staff. The Mobile Training Team, the Security Engineer Training Staff and the Education and Training Staff require an additional 23,000 square feet of space. An eight-lane weapons range and classroom is needed to handle the urgent training requirements for Foreign Service personnel assigned to high threat posts. Support, furniture, furnishings and equipment costs for the interim space is also needed. This space will be leased until completion of the construction of the permanent Security Training Center.

Training Support, 6 positions (American) and $443,000. With the growth of the training function, there is a corresponding need for additional support staff. The proposed additional support staff for the training function, based on the projections of classes, instructors and administrative duties, is 18 positions (6 in FY 1986 and 12 in FY 1988), as follows: FY 1986 -- one GS-12 systems administrator, two GS-11 audio visual specialists, one GS-09 vehicle coordinator, and two GS-05 secretaries; and FY 1988 -- two GS-11 audio visual specialists, one GS-08 equipment assistant for the firing range, five GS-08 training aides, and four GS-05 secretaries. We intend to provide more training support to RSOs overseas, and video media is the best technique available. With substantial projected increases in the number of students and training staff, there will be a corresponding increase in equipment and support needs. In addition to positions, the requested funds provide for minimum vehicle, audio visual, training aid and automation requirements.

The five-year resource requirements for this program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries & Support.....	$178	$234	$633	$793	$837	$2,675
Other Operating........	265	1,254	1,036	1,055	1,066	4,676
Funding................	443	1,488	1,669	1,848	1,903	7,351
Positions..............	6	6	18	18	18	18

STATE - SECURITY

Domestic Security Programs, 18 positions (Americans) and $3,863,000:

Perimeter Security Upgrade-Main State, $1,861,000. The General Services Administration (GSA) has advised that the security of the Main State building perimeter is a special requirement of the Department and that the Department is therefore responsible for funding any perimeter security improvements. The requested funds will provide for the continuation of the perimeter security upgrade at Main State which entails extending existing perimeter barriers and expanding guard forces. The project would include the installation of planters and other protective barriers, along the curbs of all public streets surrounding the Department; the establishment of security control points at appropriate locations on "C" and "D" Streets; and the placement of CCTVs on the rooftops of surrounding buildings to improve surveillance and security awareness of streets approaching the Main State building.

Five-year costs for this program are as follows:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
	$1,861	$591	$1,628	$1,614	$688	$6,382

Internal Physical Security at Main State and Department's Domestic Facilities, 4 positions (American) and $1,546,000. The Bureau of Diplomatic Security is responsible for tightening access controls at the Main State building, annexes and other facilities in the Washington, D.C. area. These features include the installation of public access controls and the requirement for all entering personnel (visitors and employees) to undergo screening by walk-through metal detectors and other inspection devices. To accomplish this function, additional security guards, officers, and equipment are needed. The following justification provides for internal security improvements at Main State, annexes and other facilities in the Washington area:

-- Upgrades of Department's Annexes and Other Domestic Facilities, $50,000. The requested funds will provide funding for internal security improvements at three annexes and facilities housing Department of State personnel. Projects would consist of either hardening entrance and service areas or installing Video Door Vision units at entrances so that secretaries could screen visitors prior to admittance. There have been a number of instances over the past years where cranks and walk-ins have assaulted and/or killed federal employees in U.S. Government facilities.

-- Additional Contract Guard, $480,000. The requested funds provide for four additional part-time contract guard posts (three at Annexes and one at the Main State building) performing access control functions, particularly operation of Walk-Through Metal Detectors and X-Ray Units for package control.

STATE - SECURITY

-- X-Ray Inspection Systems, $80,000. Conveyor-belt x-ray systems are required in lobby locations where access control screening is being performed. This equipment will provide security guards with the capability to inspect packages, briefcases, and other parcels efficiently. In many lobbies, which feature heavy pedestrian traffic, conveyor-belt x-ray equipment is essential in order to deter or prevent the unlawful entry of weapons or explosives. The requested funds provide for six conveyor systems.

-- Access Control System, 4 positions (American), and $936,000. A Cardkey Access Control/ID Card System is being installed in the Main State building. This system is capable of monitoring security alarm systems and regulating access to restricted areas. These resources will enable us to expand the use of the existing Cardkey equipment by installing and/or replacing existing card readers at all Restricted Areas within the Department and installing entrance access control systems in the Department and its annexes.

In addition, four positions are requested for the effective management and maintenance of the computerized access control equipment. These positions include one system manager, one system technician and two clerks.

The system manager is required to supervise the design, installation, and maintenance of the system. Subsequently he/she will be responsible for the day-to-day operation of the the system, and will have direct supervision over the data entry clerks and indirect supervision over the data entry conducted at the reception desks in the C Street and 21st Street lobbies. A system technician is required for the hardware aspects of the system (including minor repairs), particularly the peripheral hardware consisting of the turnstiles, door strikes, readers, terminals, visual display terminals and printers. The clerks will be used to issue the new ID cards as well as to enter data into the system and to provide office clerical support.

Five-year costs for the program are as follows:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Upgrade/Dom. Fac...	$50	$198	$235	$236	$38	$757
Contract Guards....	480	863	2,437	2,514	1,915	8,209
Inspection Sys.....	80	101	225	230	135	771
Access Control Sys.	828	361	375	390	406	2,360
Salaries & Support.	108	174	313	312	294	1,201
Funding............	1,546	1,697	3,585	3.682	2,788	13,298
Positions..........	4	4	4	4	4	4

Procedural Security Support of Regional and Functional Bureaus, 11 positions (American) and $280,000. To improve control over classified information, the Bureau of Diplomatic Security requests eleven professional security officers to be placed in the major regional and functional bureaus. These security officers would provide procedural security services and networking to improve the flow of information. Both the Advisory Panel report and the Office of the Inspector General have recommended the establishment of this component to strengthen the Department's procedural security program. The Department presently has only one Security Specialist to handle all aspects of procedural security, which include the Department's worldwide security violation program, the Unit Security Officer program, the Top Secret Control Officer Program, Defense Industrial Security Clearance Organization (DISCO) matters for contractors dealing with the U.S. Government, and a number of other procedural matters. The requested funds provide for the salaries, benefits and support costs for eleven FP-03 security officers.

Five-year costs for the program are as follows:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Other Operating........	$175	$286	$297	$309	$321	$1,388
Salaries & Support.....	105	421	494	494	505	2,019
Funding...............	280	707	791	803	826	3,407
Positions.............	11	11	11	11	11	11

Domestic Facility Security Officers, 3 positions and $176,000. Three Facility Security Officer positions are required to apply and enforce all elements of security programs in the fields of physical, procedural and technical security at the Main State building, the 12 annexes in the Washington D.C. area, and the 44 Department of State offices (Passport Offices, Despatch Agencies, and Security Field Offices) located in 25 other U.S. cities. Their duties will include full security surveys of each location and periodic inspections to assure that full and complete measures of security programs are being carried out.

In addition, the funds requested are required to install vehicle arrest barriers in our warehouse areas in State Annexes 4 and 7 and hardening of perimeter security, upgrading fencing where necessary, and providing additional CCTV units and security alarm systems.

Five-year costs for the program are as follows:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Other Operating........	$75	$78	$53	$84	$28	$318
Salaries & Support.....	101	184	305	318	330	1,238
Funding..........	176	262	358	402	358	1,556
Positions.............	3	3	3	3	3	3

STATE - SECURITY

General Administration and Direction, 77 positions (Americans) and $5,157,000:

Creation of a New Office of the Assistant Secretary and Executive Office for the new Bureau for Diplomatic Security, 61 positions and $2,233,000. In order to plan and manage the day-to-day operations of this large multi-functional Bureau and to develop and implement consolidated security policies for the Department and other foreign affairs agencies, management and executive offices must be created. Four areas of the new Bureau will be directly involved with central management and direction functions: an immediate office of the Assistant Secretary, a Public Policy office, Public Affairs office, and Resource Management offices.

The immediate office of the Assistant Secretary will include six positions. To consolidate coordination and analysis of general security policy issues, as recommended by the Advisory Panel, a Public Policy office will be established in the Bureau. This staff will provide analysis and recommendations on security policies within the Department of State and will coordinate these policies with other U.S. government agencies, the Congress, state and local jurisdictions in the U.S. and foreign governments. It will be staffed by six positions. In addition, a Public Affairs office will be responsible for all public affairs and media-related activities concerning security programs and policies. It will maintain liaison with the appropriate Bureaus in the Department, the media and other non-governmental organizations. This office will consist of six positions.

Finally, the new Resource Management area will provide consolidated management, budget and fiscal, personnel, administrative, contract/procurement and automated systems support to the entire Bureau domestically as well as limited services (particularly in the budget and fiscal area) to overseas security personnel and programs. In FY 1986 these operations will require forty-three new positions (plus the reprogramming of eleven positions) to undertake these functions.

Five-year costs for this program are as follows:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding..............	$2,233	$3,098	$4,042	$4,244	$4,454	$18,071
Positions...........	61	61	61	61	61	61

STATE - SECURITY

Automation Systems, 12 positions (Americans) and $2,840,000. The Department endorses the Advisory Panel's recommendation for a substantial increase in the data processing capabilities for the security area. The hardware/software and personnel increases are necessary based on projections of data processing requirements for the new Bureau of Diplomatic Security. The systems will provide budget, manpower, inventory control and other administrative and management capabilities.

-- Hardware and Software, $2,478,000. With a threefold increase in the number of users and a significant increase in the programs to be processed by the systems, additional automation capability is required. Multiple processing functions, on-line storage and the ability to utilize new security technologies requires the addition of three new central processing units, additional workstations, printers and telecommunications capabilities to accommodate 250 new users.

-- Administration of Program, 12 positions (Americans) and $362,000. Currently, a staff of five administers the automation program for the Bureau of Diplomatic Security. Based on the increase in the number of users and the tremendous expansion in hardware and software, an increase in staff is required. The requested funds will provide for the establishment of twelve positions in FY 1986: four GS-12 programmer/analysts, four GS-09 computer technicians, two GS-07 computer operators and two GS-05 secretaries. Ten additional positions are requested for FY 1987: two GS-12 programmer/analysts, four GS-09 computer technicians, two GS-07 computer operators and two GS-05 secretaries. The increase will enable us to ensure that the automation program meets the workload requirements and that all aspects of user support and system maintenance are properly addressed. The volume and nature of the various functions to be performed necessitates the addition of specialized personnel.

Computer analysts and programmers are needed to design, develop, and implement programs to meet operational needs. Analysts will identify systems requirements, and programmers will implement changes and perform maintenance on the programs. Computer operators are required to establish a 24-hours-a-day, seven-days-a-week data processing center. A 24-hour operation is required to enable telecommunications with security offices worldwide, and to support users who frequently work late hours and on weekends. In addition, system maintenance procedures will be performed at night, reducing system down time during normal working hours. The computer operators will provide bulk data entry operations needed to bring programs on-line. The two secretaries will provide support for the professional staff.

STATE - SECURITY

The five-year costs for this program are:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Hardware/Software....	$2,478	$6,407	$1,232	$1,273	$1,439	$12,829
Personnel............	362	889	982	1,021	1,062	4,316
Funding................	2,840	7,296	2,214	2,294	2,501	17,145
Positions..............	12	22	22	22	22	22

Recruitment Costs for New Security Positions, 4 positions (American), $84,000. The Department is requesting a substantial number of security positions in this supplemental. In order to fill these requirements, four positions and $84,000 are required. Two positions will handle the management and administrative responsibilities related to the recruitment and hiring of new security officers and security engineers. These responsibilities would include: developing and distributing nationwide recruitment announcements for Security Officer and Security Engineering vacancies; directing announcements to major universities and minority organizations throughout the country; coordinating the training and certification of security officers to serve on Board of Examiners (BEX) interview panels; developing and expediting current hiring requirements, future hiring goals, and training complements; tracking all candidates through the clearance stages (Medical and Security) in the hiring process; and developing a recruitment register and pipeline.

Two officer positions would be used to screen security officers and engineers. They would interview and examine candidates throughout the United States. Their responsibilities would include: recruiting security officers and security and communications engineers on college campuses; corresponding with the Recruitment Directors of universities and interview prospective minority candidates; visiting Technical Fairs; and serving on the final selection panel for candidates. The requested funds will provide for support, training and travel for the officers who will participate in the examination process.

The five-year costs for this program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1968	FY 1989	FY 1990	TOTAL
Funding................	$84	$259	$269	$280	$290	$1,182
Positions..............	4	4	4	4	4	4

STATE - SECURITY

Personnel Security Investigations, $300,000.

Investigative Support for New Positions, $300,000. The requested funds will enable us to conduct full field background investigations on the candidates for these additional positions associated with the increased personnel requirements discussed in this request.

The five-year costs for this program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
	$300	$1,740	$1,082	$225	$234	$3,581

STATE - COMMUNICATIONS:

SUMMARY - COMMUNICATIONS

(dollars in thousands)

PROGRAM	1986 ESTIMATE		1987 ESTIMATE		1987 CHANGE	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Protection of Classified Office Equipment	33	$10,646	33	$22,641	--	$11,995
Shielded Enclosure Acceleration	--	2,500	--	6,080	--	3,580
Radio Frequency (RF) Shielding for FBO Initiatives	5	565	10	1,802	5	1,237
Radio Support	20	9,058	20	12,581	--	3,523
Total	58	$22,769	63	$43,104	5	$20,335

STATE - COMMUNICATIONS:

Protection of classified office equipment, 33 positions (Americans) and $10,646,000.

The emanations from electronic equipment can be intercepted and translated from electronic pulses into human language. It is this phenomenon which drives the extraordinary physical and electronic protection afforded the Communications Centers and communications equipment at overseas posts. Recent events have pointed to another important area of vulnerability - interception of the emanations from the typewriters and office equipment which are used to process classified information at overseas posts. To address this problem, the Department has developed a coordinated program to protect classified office equipment. While some of the key objectives of this program can be met within existing resources, others will require additional resources. The five-year costs for this program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding................	$10,381	$21,583	$21,934	$24,535	$26,595	$105,028
Salaries and benefits..	265	1,058	1,771	2,276	2,367	7,737
Funding................	10,646	22,641	23,705	26,811	28,962	112,765
Positions..............	33	33	66	66	66	66

1. Maintenance and repair of classified office equipment, 1 position (American) and $2,543,000. There are currently in the worldwide inventory 3,385 typewriters and 1,027 copiers which are used to process classified information. Maintenance and repair of this equipment often involves returning the equipment to the vendor and then shipping it in a non-controlled channel back to post. This method not only leaves the equipment vulnerable to compromise during shipment, but also results in damaged equipment being returned to post. Resources required to ensure control over the shipment of office equipment are included in the Department's request for additional couriers.

   To address the maintenance portion of the problem, the Department proposes to establish six regional repair centers, one in FY 1986 and five in FY 1988, co-located with the Regional Office of Communications (ROCs). Each repair center would be staffed by one DOS employee (for a total increase of 6 Regional Typewriter-Copier personnel), who will supervise the operations and travel of 17 contract repairmen in FY 1986 and an additional 20 in FY 1988. The contractors will repair and adjust the copiers and typewriters at each post in the region - thus eliminating the problems caused by shipping the equipment back and forth between post and vendor.

   In addition, in FY 1988, the Department will establish a domestic depot, with a total staff of three technicians and one logistician, to repair those systems which cannot be fully serviced in the field. The Department's base now includes only two typewriter-copier repair positions, and they are currently located in Europe. These two positions will be returned to the U.S. depot center, leaving a net U.S. depot requirement of two additional positions.

Contractor support for this program is estimated at $1,557,000 ($1,020,000 for personnel, and $537,000 for travel). Other costs for this program include tools and test equipment, $103,000; workshop equipment and preparation, $275,000; and regional spare equipment, $502,000.

Position support costs for the requested FP-5 communications technician are $100,000.

2. Inventory Control. The shipping, receiving, and tracking of an additional 4,412 items can be accommodated within the existing COMSEC inventory system, but will generate a workload increase such that one additional Communications Specialist, FP-4 position will be required in FY 1988. There is currently a staff of seven positions responsible for inventory control over approximately 50,000 items.

3. Shipping, 12 positions (Americans) and $2,214,000. The State Department and other government agencies in the Security Community are continuously involved in exchanging, updating, and shipping sensitive equipment. The U.S. Diplomatic Courier Service is the means by which they are provided secure, timely transportation of classified material to and from our posts in the field. The Diplomatic Courier Service is currently composed of 63 traveling couriers and 11 supervisors.

   The Department is requesting 23 new positions by the end of FY 1988 for the Diplomatic Courier Service: 9 couriers for the Frankfurt office, 6 couriers for the Washington office, 4 couriers for the Bangkok office, and 4 staff officers for the Washington Headquarters. These new positions will enable us to:

   -- assist all courier arrivals and departures at major transiting points;
   -- reduce the use of non-professional couriers; and
   -- perform the increased number of courier trips required to keep pace with current security concerns, and with increased weights and sizes of shipments.

   Assistance at the major transiting points (Miami, New York, Frankfurt, and Bangkok) and more professional courier runs are required because of increasingly complex airport procedures. Also, increasingly large loads are being shipped via the Courier Service. Current security concerns and recent incidents require increased airport assistance at these locations.

STATE - COMMUNICATIONS:

More frequent courier-accompanied trips are needed because of the increased weights and sizes of items being transported. These are increasing because of the large number of special items now being accompanied during transit. For FY 1987 these special items may total 2,000,000 pounds and will include safe rooms, secure phones, classified information handling systems, and office equipment. Combined with regular courier accompanied materials this will raise the courier accompanied weights from 2,400,000 pounds in FY 1984 to 6,200,000 pounds in FY 1987, a nearly threefold increase. Based on the average courier accompanying 38,000 pounds in FY 1984, this increase in weight alone could account for an increase of 51 positions. However, through organizational and management restructuring, we have been able to reduce this increase to 23 positions.

Another reason for more frequent trips is the use of "crate pouches" to transport these heavy-weight items. Crate pouches are diplomatically protected boxes or crates, in which classified equipment is shipped. Because of their size and weight, they generally cannot be accommodated on the small size aircraft flown by many national airlines. They must instead be shipped via wide-bodied jets. This requires an additional courier trip: one to accompany the special heavyweight materials and one to fly the regular airlines with the regular materials. In addition, pouch crates are not always readily cleared by customs officials. Therefore, fewer posts per trip can be reached by the courier accompanying the heavyweight items - necessitating more frequent trips.

Increased frequency of courier trips is also driven by the limited secure storage space or short Post "burn times" at many locations. Post "burn time" refers to the requirement to keep no more classified material at post than can be destroyed within a given time, often as short as one hour. Most posts do not have access to large, secure storage areas required to house courier accompanied materials overnight. Posts with burn times of one hour or less automatically preclude an overnight stop by the courier, who carries a large amount of classified materials. Fewer overnight transiting areas means fewer posts reached per trip and the requirement for shorter, more frequent trips.

-- Frankfurt Regional Diplomatic Courier Office, $1,434,000. During FY 1986, the Department requests 5 of the 9 positions required by FY 1988. The 5 positions requested for FY 1986 include: two positions to assist the approximately 2,000 courier arrivals and departures at Frankfurt; one position for increased crate pouch shipments; and 2 positions to accompany ADP equipment shipments in certain high-threat areas. The 4 additional courier positions for FY 1988 are required to meet a doubling of annual trips.

The Frankfurt office currently has 32 couriers and 4 supervisory positions. It services 65 posts in North, East and Central Africa, all of Europe and the Middle East including the Gulf States. Each courier made an average of 32 trips per year, and carried a total of 38,000 pounds in FY 1984.

Costs for the Frankfurt office total $1,403,000: position support, $500,000; travel, $233,000; excess baggage, $652,000; equipment, $18,000.

- Washington Regional Diplomatic Courier Office, $330,000. Three of the 6 positions required by FY 1988 are requested for FY 1986. The 3 positions requested for FY 1986 include: 2 positions to meet and assist approximately 2,000 arrivals and departures in Miami and New York, and an additional courier required for doubling of trips to West Africa. The 3 positions requested for FY 1988 include: 2 additional Washington office positions to staff an increased use of Embassy military support flights from Panama to several locations in Latin America, and another courier position to meet the increased number of trips to West Africa.

The Washington Office now has 20 positions: 3 supervisors and 17 couriers. It services West, Central, and Southern Africa along with the Caribbean and Central and South American countries. The average courier made 16 trips in FY 1984, carrying a total of 42,000 pounds.

Costs for the Washington office total $311,000 including: position support, $30,000; travel, $63,000; excess baggage, $200,000; equipment, $18,000.

- Bangkok Regional Diplomatic Courier Office, $411,000. Two of the 4 positions required by FY 1988 are requested for FY 1986. The 2 positions requested for FY 1986 include: an additional courier to provide security-escort assistance for approximately 1,000 courier arrivals and departures in Bangkok, and an additional courier to meet the increased special trips in this area for heavy crate movement. The 2 positions requested for FY 1988 include: an additional courier to begin providing professional services to Bandar Seri Begawan and Guangzhou, and another courier to meet the increased special trips for heavy crate movement.

The Bangkok office now has 2 supervisors and 14 courier positions. It services 23 posts in the Far East. The average courier made 26 trips and carried 44,000 pounds in FY 1984.

Costs for the Bangkok office total $397,000 including: position support, $200,000; travel, $42,000; excess baggage, $137,000; equipment, $18,000.

STATE - COMMUNICATIONS:

- Washington Headquarters, $39,000. Two of the 4 positions required by FY 1988 are requested for FY 1986. The 2 positions requested in FY 1986 include: a security officer to constantly review and monitor worldwide courier routes and procedures, closely coordinate with other Department offices, and an operations officer to coordinate all shipments from the Department and other agencies. The 2 positions requested in FY 1988 include: a position directly attached to the Armed Forces Courier Service (ARFCOS) at Fort Meade to assist in coordinating hundreds of thousands of pounds of classified pouches handled by ARFCOS and the State Department each month; and a position to prepare courier and classified pouch policy statements, advise customers of the best method to expedite classified materials worldwide, and respond to the 125 telephone inquiries per day now received by the Courier Office.

  The Washington Headquarters Office is currently staffed with only three positions: the Chief, Deputy and 1 secretary.

  Costs for Washington Headquarters are position support, $20,000.

4. Inspections, 9 positions (Americans) and $5,201,000. Thorough field inspections must be performed annually at most posts to maintain classified office equipment security certification as well as to ensure the security of the environment within which the equipment is placed. Semi-annual inspections are required for high risk locations. Two types of inspections must be performed - electronic and general material security practices.

   This request for 18 positions by the end of FY 1988 reflects resources required by both the Bureau of Diplomatic Security and the Office of Communications to ensure proper security of classified office equipment in the field.

   For the Bureau of Diplomatic Security, six new FP-02 positions and $764,000 are required in FY 1986 to administer a worldwide acoustic security program, implemented by 8 contract personnel, of which 4 are requested in FY 1986. There are currently no resources in this Bureau for acoustic inspections; the security engineers perform this function in addition to their regular duties. Costs for this program are: position support, $60,000; travel, $79,000; countermeasures equipment, $202,000; and contractual support, $352,000.

   An increase of three new positions in FY 1986 (2 in the Bureau of Diplomatic Security and 1 in the Office of Communications) and $4,437,000 is necessary to ensure proper security of classified office equipment in the field. An additional nine positions will be required in FY 1988. The current staffing for electronic inspections is two positions and $700,000; for general COMSEC inspections, four positions. Specific justification for the three new positions in FY 1986 and the nine in FY 1988 follows:

Performance of electronic and general COMSEC inspections is required to meet communications security needs at each of the six regional communications offices. Contractual personnel will travel to each post for such inspections. This will require 6 additional FP-4 positions by the end of FY 1988 - one at each Regional Office of Communications (ROC) - to oversee and coordinate the operations of 32 contractor personnel performing electronic (15 contractors) and general inspections (17 contractors). The Office of Communications is requesting two FP-4 positions (Bonn and Nairobi) in FY 1986 and the balance of 4 in FY 1988. In addition, OC is requesting 17 contractors (8 electronic and 9 general) in FY 1986 and 15 contractors (7 electronic and 8 general) in FY 1988. Position support costs for the two FP-4 officers requested in FY 1986 will be $200,000; and travel, $30,000. Contractor costs, including salary and travel, will equal $1,530,000. In addition, $2,634,000 will be required to equip the electronic inspection teams.

Also included in this request is one communications position (the balance of 5 will be requested in FY 1988) to serve domestically as "desk officer" for all technical or administrative COMSEC issues, and to be the U.S. liaison for the six ROC COMSEC positions. This position will also provide domestic testing services as required. Position support costs are $10,000 and travel, $10,000.

5. Product Certification, 11 positions (Americans) and $688,000. To ensure that classified office equipment systems are secure and usable to process national security information, a centralized function will be established at a location outside the main State building to verify the manufacturer's compliance with security requirements and to re-certify the security of those systems which may have been uncontrolled at any time. The Department proposes this function be performed at a product certification center, to be constructed and equipped by the end of FY 1987, and to be staffed by 14 full-time Department of State employees. The 11 positions requested in FY 1986 include: 1 GS-13 branch chief; 1 GS-12 Communications Electronic Officer; 4 GS-12 Communications Specialists; 1 GS-9 Communications Specialist; 1 GS-9 Logistic Clerk; 1 GS-9 Packing Specialist; 2 GS-5 Warehousemen. The 3 positions requested in FY 1988 include: 1 GS-9 Communications Specialist; 1 GS-11 Inventory Specialist; and 1 GS-9 Logistic Clerk.

The Department currently has no base program to perform this important new function. These positions will:

-- examine devices upon receipt from vendor, post, or maintenance source to verify that no tampering or alterations have occurred;

-- scan and test equipment to ensure compliance with TEMPEST standards;

-- perform X-RAY, physical and operational tests to ensure integrity;

-- install anti-tamper devices;

-- pack devices in special tamper-proof containers; and

-- receive, ship, provide logistical support and inventory control for all classified office equipment.

Facilities costs for the product certification center in FY 1986 total $497,000: renovations and utilities, $149,000; shielded enclosure, $50,000; specialized testing and inspection equipment, including warehousing machinery, $130,000; and a TEMPEST testing facility, $168,000. Position support costs will be an additional $110,000.

6. Training. The increasing use of electronic computers, typewriters and copiers for handling sensitive information necessitates that specialized computer security instruction be conducted so personnel can recognize the need to safeguard this sensitive information. The Department believes this could be achieved through increasing the emphasis placed on communications security in the FSI curriculum. The two additional positions, FS-3 trainers, plus educational materials and visual aids will be required in FY 1988 to give lectures, seminars, and briefings concerning improved communications security abroad.

Shielded Enclosure Acceleration, $2,500,000.

This increase is for the Shielded Enclosure program. Shielded enclosures are room-sized metal boxes in which post communications centers are housed. They provide isolated power sources as well as radio frequency emanation protection for all classified communications to and from posts. As of October, 1984, there were 111 shielded enclosures installed worldwide. The requirement for shielded enclosures totals 207 by 1990. For FY 1985 there is a $200,000 base for maintenance only. The FY 1986 base for initial procurement, installation, maintenance and replacement of shielded enclosures totals $1,800,000. This will permit the procurement of 7 new or replacement enclosures annually costing $250,000 each. The increase being requested for FY 1986 plus the base will provide for a total of 17 enclosures this year. The Department will request funding in FY 1987 that, when added to the $1,800,000 base and the $2,500,000 FY 1986 Supplemental base, will provide for a total of 31 enclosures in FY 1987. During FY 1988, FY 1989 and FY 1990, the Department will request funding that, when added to the $1,800,000 base, will provide for an additional 16 enclosures each year.

The five-year costs for this program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
	$2,500	$6,080	$2,163	$2,250	$2,340	$15,333

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Radio Frequency (RF) Shielding for FBO Initiatives, 5 positions (Americans) and $565,000.

As a result of recommendations made by the Advisory Panel, 60 posts require new office buildings and attendant RF shielding of these new buildings to protect national security information. To maintain the integrity of the shielding, door maintenance and repairs will be essential.

To accomplish this, the Office of Communications requires 5 Communications Specialist FP-3 positions in FY 1986, 5 in FY 1987, and 13 in FY 1988 for a total of 23 positions required from FY 1988 through FY 1990. Of these, one position will be permanently at each of the following 8 posts: Geneva, Bangkok, Sofia, Prague, Berlin, Budapest, Moscow, and Vienna. The remaining 15 positions will be at the following regional communications offices to provide periodic service to area posts:

	Bonn	Nairobi	Mexico	Karachi	Bangkok
Positions	6	6	1	1	1
Posts Covered	19	17	2	2	3

FY 1986 costs for the 5 positions in regional locations include position support ($500,000), test equipment ($9,000), and travel and per diem ($8,000).

The five-year costs for this program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries and benefits..	$48	$306	$755	$1021	$1,062	$3,192
Other requirements.....	517	1,496	2,806	2,900	3,106	10,725
Funding................	565	1,802	3,561	3,921	4,068	13,917
Positions..............	5	10	23	23	23	23

Radio Support, 20 Positions (Americans) and $9,058,000.

As part of a five-year program of radio equipment and systems to support recommendations by the Advisory Panel on Overseas Security, the Department's FY 1986 requirement is $9,058,000 and 20 positions for the following needs:

-- $7,604,000 for 2,700 radio units and ancillary components for new personnel, primarily local guards overseas;

STATE - COMMUNICATIONS:

- — $171,000 for 2 of 8 regional fly-away units for mobile training teams;
- -- $384,000 for 61 of 200 mobile radios for fully armored vehicles;
- -- $244,000 for 6 of 20 contract personnel;
- -- $188,000 for 3 of 12 sets of support equipment; and
- -- 20 new positions (including $154,000 for salary and benefits and $313,000 for position support and travel).

The Bureau of Diplomatic Security is seeking an additional 7,455 positions (455 U.S. employees and 7,000 local contract guards) which will require radio support. These positions include:

-- 180 Protective Security Agents;
-- 190 Protective Agents;
-- 25 Assistant Regional Security Agents;
-- 60 Residential Security Support Staff; and
-- 7,000 Local Guards.

To procure the additional radios to support these new positions will cost $24,900,000:

-- 8,160 portable radios @ $2,300 = $18,768,000;
-- 220 mobile units @ $3,180 = $700,000;
-- 235 "portamobile units" @ $2,600 = $611,000;
-- 160 cellular telephones @ $3,150 = $504,000;
-- system components (repeaters, base stations), $3,340,000; and
-- ancillary equipment and maintenance, $977,000.

The Advisory Panel also recommended increasing the size and numbers of the Bureau of Diplomatic Security Mobile Training Teams (MTT). At present, the teams do not have any communications capability and a "Fly away" package could fill this gap. The basic package would consist of a portable repeater/base station and 6-8 portable radios using 48 synthesized channels. The MTT's would deploy these packages during their training visits and interface with embassy networks as necessary. Eight Fly-away packages @ $70,000 will cost $560,000.

The Panel further proposed the Department increase its security vehicle fleet (fully armored, light armored and follow vehicles) by 164 vehicles. To equip these cars with privacy protected mobile radios will require $1,259,000 (164 radios, installed, @ $6,360 = $1,043,000; plus 36 spares @ $6,000 = $216,000).

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The foregoing efforts will substantially impact OC's radio program -- primarily in the areas of program management, CEO support, procurement, automation and budget/inventory accountability. The addition of these myriad requirements will require personnel increases in support of technical maintenance, installation and repair personnel. It will also be necessary to expand the the management resources to monitor requirements, travel, scheduling, procurement, logistical support, and system survey/integration studies. To ensure the availability of the required personnel during rapid procurement and deployment activities, contract personnel should be engaged for the first year of this program (20 contractors @ $40,000 = $800,000). Tools and test equipment will require $600,000 (12 sets @ $50,000 each).

The twenty positions required in FY 1986 (including support costs of $200,000 and travel of $370,000) to support these efforts are:

- -- 1 Deputy Program Manager FP-2;
- -- 1 Secretary FP-6;
- -- 1 Procurement Chief FP-4;
- -- 1 Procurement Assistant FP-5;
- -- 1 Automation Specialist FP-4;
- -- 1 Inventory Controls Specialist FP-5;
- -- 1 Logistics Specialist FP-6;
- -- 1 Special Projects Officer (Technical) FP-4;
- -- 1 Senior Radio Officer FP-2;
- -- 2 Senior Radio Officers FP-3;
- -- 5 Journeyman Radio Officers FP-4; and
- -- 4 Junior Radio Officers FP-5.

The five-year costs for this program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries and benefits..	$154	$615	$665	$692	$720	$2,846
Other operating........	8,904	11,966	7,098	7,262	8,432	43,662
Funding................	9,058	12,581	7,763	7,954	9,152	46,508
Positions..............	20	20	20	20	20	20

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SUMMARY - ADMINISTRATION

(dollars in thousands)

PROGRAM	1986 ESTIMATE Pos.	1986 ESTIMATE Amount	1987 ESTIMATE Pos.	1987 ESTIMATE Amount	1987 CHANGE Pos.	1987 CHANGE Amount
Information Systems Security:						
Expand Information Systems Security....................	10	$345	10	$1,527	--	$1,182
American System Managers and Operators at High Technical Threat OIS & Mini Locations..	31	1,578	31	5,546	--	3,968
American System Managers at All Other Minicomputer Posts.	9	495	9	1,759	--	1,264
Subtotal, Info. Systems Security	50	2,418	50	8,832	--	6,414
Overseas Security Support:						
Consolidation of Security Functions....................	--	978	--	7,085	--	6,107
Procurement and Contracts.....	16	600	16	650	--	50
Supply Personnel and Warehouse Space..............	10	889	10	1,889	--	1,000
Transportation................	17	452	17	751	--	299
Subtotal, Overseas Security Support........................	43	2,919	43	10,375	--	7,456
Total..........................	93	$5,337	93	$19,207	--	$13,870

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Information Systems Security, 50 Positions and $2,418,000:

Expand Information Systems Security Presence To The Overseas Environment and Enhance Domestic Capability, 10 positions and $345,000. The Department of State and the other foreign affairs agencies are rapidly expanding their utilization of electronic data processing and word processing systems. The amount of classified and sensitive information resident on these systems throughout the world is also growing. As the Advisory Panel on Overseas Security noted, these developments are being accompanied by a documented increase in the hostile electronic threat at our overseas facilities. Thus, the need to ensure that proper information systems security procedures and safeguards are being exercised both in Washington and overseas is becoming increasingly important.

To meet these challenges, ten positions and $345,000 are requested. Seven of these positions will be based at the Regional Administrative Management Centers (RAMCs) in Paris, Bangkok and Mexico City, and will report to the RAMC Directors. The principal role for six of these officers will be to monitor the systems security environment at posts in their respective regions. They will perform information system security evaluations of sensitive unclassified systems as well as classified systems; coordinate systems security activities in their areas; provide systems expertise in the conduct of fraud, waste, and malfeasance investigations; provide technical support to the Regional Security Officer, post computer and communications system managers; assist in the conduct of risk analyses and development, implementation and testing of contingency plans; provide hardware and software security support for unclassified, sensitive and classified systems; and provide systems security support to the intelligence community. One administrative position will support these activities.

The remaining three positions will be assigned domestically to address software security issues on automated information systems. Two of these positions will focus on the increased technical threat and the rapid proliferation of information systems in the Department. One administrative position will support these activities.

This request includes $295,000 for salary and support costs for the 10 positions and $50,000 for additional travel expenses to conduct risk analyses, security reviews, and contingency planning activities at foreign service posts.

The five-year costs for the Systems Security Staff expansion are as follows:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries and benefits...	$86	$344	$373	$387	$403	$1,593
Support costs..........	209	663	689	717	745	3,023
Travel.................	50	520	541	563	585	2,259
Funding................	345	1,527	1,603	1,667	1,733	6,875
Positions..............	10	10	10	10	10	10

STATE - ADMINISTRATION:

American Systems Managers and Operators at High Technical Threat OIS and Minicomputer Locations, 31 positions and $1,578,000. The Department has designated certain countries as high technical threat locations based on reported electronic, technical and other penetrations and attempts on allied and U.S. facilities. In the overseas environment, the Department operates large minicomputer systems that run multiple applications, and smaller Office Information Systems that are mainly used for word processing but also contain sensitive personnel, political, and economic data. Some of these unclassified systems contain sensitive data, particularly when this data is taken in the aggregate and analyzed. Unclassified systems at high technical threat posts are especially vulnerable, and foreign nationals are currently involved in the management and operation of these systems. For example, a foreign national computer manager could manipulate an inventory system or the Financial Management System to compromise sensitive personnel security or consular information as well as to commit fraud. The Advisory Panel Report recommends that no foreign national employee have access to an automated information system at any U.S. Embassy. The Department is requesting additional positions to ensure all systems managers and operators (those persons who work in the computer room) at high technical threat locations are cleared American citizens.

The systems manager provides overall direction on use of the equipment, software, training and applications, and oversees the security of the system. To meet the operational requirements of the minicomputer system, an additional American operator position is needed to perform backups, system maintenance, daily start-up and shut-down, and to support users.

The five-year costs for American system managers and operators are as follows:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries and benefits..	$287	$1,146	$1,459	$1,670	$1,736	$6,298
Support Costs..........	1,291	4,400	4,425	4,407	4,584	19,107
Funding................	1,578	5,546	5,884	6,077	6,320	25,405
Positions..............	31	31	42	42	42	42

These positions will be required at the following locations:

Bureau	System Managers/Operators		
	FY 1986/7	FY 1988	Total
African Affairs........................	3	3	6
Inter-American Affairs.................	4	5	9
European and Canadian Affairs..........	11	--	11
East Asian and Pacific Affairs.........	10	3	13
Near Eastern and South Asian Affairs...	3	--	3
Total..................................	31	11	42

American System Managers at all other Minicomputer Posts, 9 positions and $495,000. Large-scale and complex multi-use computer installations require careful oversight and organization. To have such an installation at a major Embassy without an American systems manager is poor oversight of valuable resources. More importantly, it creates the potential for misuse, unauthorized access, and other forms of technical exploitation. Even with our unclassified systems, there is a potential for fraud; for aggregating sensitive data, reproducing it and taking it easily off-site; and for the denial or disruption of essential post services.

The requirements for systems security alone dictate the presence of an American systems manager. The systems manager provides overall management of the minicomputer and is responsible for security of the system.

The five-year costs for additional American systems managers are as follows:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries and Benefits..	$120	$482	$863	$1,135	$1,180	$3,780
Support Costs..........	375	1,277	2,129	2,019	2,101	7,901
Funding................	495	1,759	2,992	3,154	3,281	11,681
Positions..............	9	9	20	20	20	20

Summary of Additional American System Managers by Bureau (9 positions in FY 1986 and 11 in FY 1987).

Bureau	System Managers/Operators		
	FY 1986/7	FY 1988	Total
African Affairs......................	1	--	1
Inter-American Affairs................	5	4	9
European and Canadian Affairs..........	1	4	5
East Asian and Pacific Affairs.........	1	2	3
Near Eastern and South Asian Affairs...	1	1	2
Total................................	9	11	20

Overseas Security Support, 43 positions (American) and $2,919,000:

A worldwide security program is being requested to correct urgent security weaknesses highlighted in the recent report of the Secretary of State's Advisory Panel on Overseas Security. In order to provide adequate levels of administrative and managerial support for this effort, additional American positions and administrative support items will be required. Justification for the additional positions and space follows:

Consolidation of Security Functions, $978,000. In conjunction with the establishment of the new Assistant Secretary for Diplomatic Security, security offices currently spread throughout five separate buildings in the Washington Metropolitan area will be consolidated into one annex. This action will greatly enhance the new bureau's ability to coordinate worldwide security requirements and ensure maximum effective utilization of its manpower and financial resources.

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This office space will be located in close proximity to the Main State building, and will consist of 114,750 square feet for the approximately 850 personnel for the new bureau who will be based in Washington.

The five-year resource requirements for this program are:

(dollars in thousands)

Item	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Office space rental (2 months in FY 1986).	$573	$3,442	$3,580	$4,021	$4,182	$15,798
Moving expenses........	323	860	75	60	25	1,343
Conduiting & Wiring....	--	750	30	30	--	810
Guards (2 mos.in FY86).	50	312	325	337	359	1,383
Security Equipment.....	32	80	100	25	25	262
Modularization of space	--	1,641	295	100	77	2,113
Funding...............	978	7,085	4,405	4,573	4,668	21,709

The following items are required in FY 1986 and 1987:

-- office space rental costs, 114,750 sq. ft. at $30.00 per square foot for two months in FY 1986 ($573,000) and a full year in FY 1987 ($3,442,000);

-- moving expenses and alterations of the acquired space, $323,000 in FY 1986 and $860,000 in FY 1987;

-- installation of conduiting for computer equipment in new facility, $750,000 in FY 1987;

-- GSA guard service for a period of 2 months in FY 1986 ($50,000) and for a full year in FY 1987 ($312,000);

-- security equipment such as special locks and alarms, monitoring devices, vehicle barricades, and metal detectors ($32,000 in FY 1986 and $80,000 in FY 1987); and

-- modularization of vacated security office space, $1,641,000 in FY 1987.

During the initial move from the Department to the new annex, space will have to be duplicated to ensure a smooth transition for the new bureau. After that time, the vacant space will be reconfigured and utilized for other Departmental functions.

Procurement and Contracts, 16 positions (American) and $600,000. As reflected in previous budget submissions, the Office of Procurement is already understaffed to handle the current procurement workload properly. The

STATE - ADMINISTRATION:

procurement of equipment and supplies for the expanded activities of the new bureau will immediately and dramatically increase the workload of the procurement office. To handle this increased workload adequately, the Office of Procurement will require the following 16 positions:

- -- 1 Contracts Manager (GS-14)
- -- 6 Contract Specialists (GS-7 thru 11)
- -- 6 Procurement Officers (GS-7 thru 11)
- -- 3 Clerk/Typists (GS-4)

Salaries and support costs for these new positions are $315,000. In addition, $285,000 will be required to upgrade the current VS-100 automated system to a VS-300 level. The current memory and processing capabilities of the VS-100 system are inadequate to support the additional workload associated with this new bureau.

The five-year resource requirements for this program are:

(dollars in thousands)

Item	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries and benefits..	$97	$387	$420	$436	$453	$1,793
Support costs..........	218	170	177	184	191	940
Computer equipment software support......	285	93	197	204	213	992
Funding................	600	650	794	824	857	3,725
Positions..............	16	16	16	16	16	16

Supply Personnel and Warehouse Space, 10 positions (American) and $889,000. Additional warehouse space, support equipment and personnel will be required to keep pace with the expanding activities of the new bureau. The projected increase in the procurement of security, communications and related systems and equipment cannot be handled by the existing warehouse, storage and shipment capacity. This increase includes $250,000 to lease 100,000 square feet of warehouse space for 3 months in FY 1986, $75,000 for 24-hour guard service for a period of 3 months, and $200,000 for shelves and equipment (such as files and forklifts) at the new warehouse. An additional $200,000 in computer equipment (disk storage capabilities, computer linkage with the main frame and other peripherals) will also be necessary to support this increased workload.

An increase of 10 positions and $164,000 in salaries and support costs will be required to staff the new warehouse. The following warehouse personnel staff are planned:

- -- 5 Warehousemen (WG-4 thru 5)
- -- 3 Supply Clerks (WG-5 thru 7)
- -- 2 Distribution Facilities Specialists (GS-9 thru 11)

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The five-year resource requirements for this program are:

(dollars in thousands)

Item	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Warehouse space (3 months in FY 1986).	$250	$1,040	$1,082	$1,125	$1,170	$4,667
Guards (3 mos.in FY86).	75	312	324	337	350	1,398
Shelves and equipment..	200	100	32	34	35	401
Computer equipment and software..........	200	152	154	160	166	832
Salaries and benefits..	48	194	210	218	227	897
Position support costs.	116	91	94	98	102	501
Funding................	889	1,889	1,896	1,972	2,050	8,696
Positions..............	10	10	10	10	10	10

Transportation, 17 positions (American) and $452,000. The workload at all five Despatch Agencies (Baltimore, Miami, New York, San Francisco and Washington, D.C.) will increase substantially due to the increased amount of security equipment, communications equipment, and vehicles being shipped. Each of these five locations will require 3 additional positions to handle the increased workload. Positions required at each of the five Dispatch Agencies are:

-- 1 Traffic Management Specialist (WG-7 thru 11)
-- 1 Freight Rate Specialist (GS-11)
-- 1 Clerical (GS-5)

In addition, the procurement centers in Bonn and Tokyo will require 1 procurement officer each to handle increased shipping negotiations and special shipping arrangements overseas.

The five-year resource requirements for this program are:

(dollars in thousands)

Item	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries and benefits..	$102	$408	$441	$459	$477	$1,887
Support costs..........	350	343	357	371	386	1,807
Funding................	452	751	798	830	863	3,694
Positions..............	17	17	17	17	17	17

STATE - INFORMATION SYSTEMS

SUMMARY - INFORMATION SYSTEMS

(dollars in thousands)

PROGRAM	1986 ESTIMATE Pos.	1986 ESTIMATE Amount	1987 ESTIMATE Pos.	1987 ESTIMATE Amount	1987 CHANGE Pos.	1987 CHANGE Amount
Alternate ADP Facility..........	5	$25,709	5	$1,761	—	-$23,948
Establish Systems Security Staff.	4	118	4	218	—	100
Systems Design and Programming Support for Security and Foreign Buildings Activities....	2	55	2	100	—	45
Automation Support for Security and FBO Distributive Processing.	15	365	15	645	—	280
Overseas Financial Support.......	—	363	—	697	—	334
American Systems Maintenance.....	—	871	—	2,596	—	1,725
Total, Information Systems.......	26	$27,481	26	$6,017	—	-$21,464

STATE - INFORMATION SYSTEMS

State Alternate ADP Facility, 5 positions (Americans) and $25,709,000.

This request will provide for the construction of an alternate ADP facility to meet the critical need for backup of State computer operations. A 25-acre parcel of land in Beltsville, Maryland is owned by State and now houses an alternate communications center. Appropriate space on this parcel already exists for an alternate ADP facility.

State now has no disaster recovery capability for its domestic and overseas ADP operations in the event of a catastrophic failure in its present facilities. Bombings, sabotage, natural disasters or even significant power failures could bring the Department's automated operations to a halt for an indeterminable period.

If this unacceptable condition is not corrected, State will potentially be unable to receive and process information critical to the Department and its customers. This includes classified and highly sensitive information on international terrorism. This vulnerability has been identified in the internal controls process and reported by the Secretary to the President and Congress.

The Department's main computer complex, the Foreign Affairs Data Processing Center (FADPC), operates around the clock and its resources are stretched to the limit. It is essentially unable to act as a backup to the three regional data processing centers located overseas or to the overseas posts, which have an increasing automation profile, including 88 State-operated minicomputers. The FADPC is itself vulnerable, located as it is in the main State office building, over the loading dock and in a building that must allow considerable public access.

The decision to co-locate the alternate ADP site with the alternate communications center places both in dedicated and appropriately engineered facilities where public access will not be permitted. Because worldwide communications will be available, it also opens the possibility of backup support at a secure domestic location for the three regional centers (Paris, Bangkok and Mexico City) and the overseas posts.

The alternate ADP facility will be operational, functioning in a co-processing mode, sharing computing work load with the FADPC, and having the capacity needed to support and backup critical systems. Funds and positions in this request are only for the FY 1986 and FY 1987 requirements to construct a building and building support systems (heating, air conditioning, etc.). Hardware, systems and additional personnel will be sought in subsequent budgets to backup the most critical needs, such as programs dedicated to classified and highly sensitive systems.

STATE - INFORMATION SYSTEMS

FY 1986 funding requirements, including position costs, are as follows:

Grounds and Shell Building:	
Site work	$340,000
Building shell and utilities	7,066,000
Fees for architectural, engineering and consulting work	1,169,000
Subtotal, grounds and shell	8,575,000
Finish work and building equipment:	
Interior finish work	1,330,000
Computer space requirements	6,541,000
Fire detection/protection systems	784,000
Security systems	400,000
Environmental monitoring systems	108,000
Landscaping	150,000
Furniture and fixtures	500,000
Architectural and engineering fees	1,272,000
Subtotal, finish work and building equipment	11,085,000
Contingency Fee (15%)	2,944,000
Total (in 1985 dollars)	22,604,000
Inflation factor of 4% per annum over construction period	2,866,000
Subtotal, construction and equipment	25,470,000
Contractual assistance	100,000
Salaries and support costs for five permanent personnel (see below)	139,000
Total FY 1986 costs	25,709,000

The 5 permanent positions requested are required to manage construction and begin planning for the computing equipment installation. One position will be a full-time manager to monitor all aspects of architectural and engineering work on the project for the Department. One will be used for an on-site Departmental representative to oversee the supervision and management of actual construction. This person will make on-site decisions as to necessary modifications to existing plans. A third person will act as a full-time liaison to the contractor. Two positions will be for Program Analysts who will interface with key Departmental personnel to begin detailed application and computing equipment planning for the alternate site.

Summary of FY 1986 personnel requirements:

General Manager - 1 (GS-14)
Site Representative - 1 (GS-13)
Contractor Liaison - 1 (GS-13)
Program Analysts - 2 (GS-12/13)

Construction of the alternate site will take approximately 28 to 30 months. Personnel and funding requirements in FY 1986 and FY 1987 are as follows:

	FY 1986	FY 1987	TOTAL
Building....................	$25,470	--	$25,470
Contractual services to provide project oversight.	100	$1,483	1,583
Salaries and benefits......	53	211	264
Personnel support costs....	86	67	153
Funding....................	25,709	1,761	27,470
Positions..................	5	5	5

Additional positions and equipment required to operate the facility will be requested in the FY 1988 budget.

Establish Systems Security Staff, 4 positions (Americans) and $118,000.

The Facilities Management Branch is responsible for ensuring the physical security of the Foreign Affairs Data Processing Center (FADPC). This branch is also responsible for guaranteeing that loss or damage through the abuse or misuse of FADPC is avoided, and that there is no unauthorized access to Information Systems Office (ISO) hardware, software and data.

A recent risk analysis noted that FADPC is currently able to staff the Security Officer position for that facility only by assigning it as a collateral duty to an existing position. Technical position staffing in general is so limited that backup personnel cannot be designated even for the key positions.

Given the potential for loss or damage to the Department's valuable data processed in FADPC, this lack of adequate security personnel is clearly an unacceptable management practice. Risks relating to physical hazards, equipment or software malfunction, human error, misuse or loss of data and data classification must be minimized.

Two Information Systems Security Officers (GS-14 and GS-13) and two Information Systems Technicians (GS-11 and GS-12) are requested to fulfill this important responsibility. One of these positions will be overall Information Systems Security Officer for ISO. The second will perform technical tasks relating to security and the other two will provide technical and administrative support. This request represents a first but essential step in safeguarding the collection, maintenance, manipulation and dispersion of information stored on or processed by the Department's central automated systems.

Five-year costs for this program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding................	$118	$218	$233	$242	$252	$1,063
Positions..............	4	4	4	4	4	4

System Design and Programming Support for Security and Foreign Buildings Activities, 2 positions and $55,000.

In order to support the greatly enhanced activities in security and foreign buildings, a considerable systems design and programming effort is required. The buildings program involves a highly specialized computer-aided design operation as well as the need to draw on information telecommunicated from overseas locations. The security program involves the development of automated computer profiles for all posts. These profiles will incorporate building floor plans, fire and safety systems, security equipment inventories and personnel assignment listings into a software program which will be continuously updated. This program will provide the Department with reliable, easily accessible information needed to respond to a crisis situation.

Support of these systems and others, some of which will reside on the bureau processing systems at the foreign buildings and security locations and some of which will develop into major systems to be operated on State's mainframes, will require a GS-13 Computer Systems Analyst and a GS-11 Computer Specialist in the Information Systems Office. These individuals will be dedicated to supporting the systems required by the security developments envisioned in this supplemental and will provide liaison for their development and support to the Office of Foreign Buildings and the Bureau of Diplomatic Security.

Five-year costs for this program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding................	$55	$100	$107	$112	$116	$490
Positions..............	2	2	2	2	2	2

Automation Support for Security and FBO Distributed Processing, 15 Positions (Americans) and $365,000.

Additional resources in support of the foreign buildings and security distributed processing initiatives are required for the Information Systems Office (ISO) under the Foreign Affairs Information System concept for bureau processors. ISO is requesting the following positions in order to provide comprehensive support for these computer facilities. Two electronics engineers (GS-13) are requested to provide engineering services to each of these large processing sites. In addition an Information Systems Security Officer (GS-13) will coordinate computer security matters for these sites.

ISO will provide a senior site representative (GS-12) for the foreign buildings operated computer installation. This person will be the COTR for the facilities operation contract. An information systems technician (GS-11) will also be provided to assist with computer security at this site.

Because of the sensitivity of much of the security processing, ISO has requested a staff of on-site personnel to operate this processor. A senior site representative (GS-12) and a two-shift operations staff made up of a shift supervisor (GS-11), five computer operators (two GS-09 and three GS-08) and two computer technicians (GS-09) will operate the computer facility. An information systems technician (GS-11) will provide on-site computer security.

Five-year costs for this program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries and Benefits..	$112	$448	$485	$504	$524	2,073
Support Costs..........	253	197	205	214	222	1,091
Funding................	365	645	690	718	746	3,164
Positions..............	15	15	15	15	15	15

Overseas Financial Support, $363,000.

The foreign buildings and security-related program increases requested in this submission will create a significant increase in the required budget and fiscal paperwork. This includes such areas as: the maintenance and processing of additional vouchers and payroll records; an increase in the number of financial documents generated by posts, which will require review and the preparation and forwarding of payments; and additional foreign currency purchasing. Since much of this activity will take place at the overseas posts, this will create a requirement for additional contract support at the three Regional Administrative Management Centers (RAMCs) in Paris, Bangkok and Mexico City, which act as the central processors of these financial records and reports. Contractual assistance will be expanded to meet these increases in processing and distribution activities. Additional systems maintenance for the RAMCs will also be necessary to handle the increased workload created by this program.

Five-year costs for this program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Contractual Services....	$363	$697	$714	$742	$772	$3,288

STATE - INFORMATION SYSTEMS

American Systems Maintenance Contractors at High Threat Posts, $871,000.

The Advisory Panel Report recommends that "only U.S. personnel should be employed for the operation, maintenance, and repair of information-processing equipment." The Department also clearly recognizes the importance of having maintenance for the system performed by cleared U.S. maintenance personnel. We estimate that 15 new American maintenance personnel are needed to replace foreign nationals who currently service our automated information systems at high threat posts.

This request includes $165,000 annually for each contractual position to cover salaries, benefits, training, security clearances, and travel costs.

Five-year costs for this program are:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Contractors and support	$871	$2,596	$2,596	$2,700	$2,808	$11,571

STATE - OTHER

SUMMARY - OTHER

(dollars in thousands)

PROGRAM	1986 ESTIMATE Pos.	1986 ESTIMATE Amount	1987 ESTIMATE Pos.	1987 ESTIMATE Amount	1987 CHANGE Pos.	1987 CHANGE Amount
S/CT:						
Int. Cooperation, Policy Dev. and Interagency Coordination...	2	$54	2	$243	--	$189
DS/CTP:						
Anti-Terrorism Assist. Program..	1	28	1	122	--	94
Central American Police Training	2	59	2	243	--	184
Total, DS/CTP.....................	3	87	3	365	--	278
EUR:						
Replacement of FSNs at Soviet and Eastern European Posts.....	--	6,330	--	28,320	--	21,990
FSI:						
Security Training..............	9	355	11	1,166	2	811
LEGAL:						
Legal Support..................	10	142	12	573	2	431
M/DGP:						
Personnel Support..............	7	340	7	450	--	110
M/COMP:						
Financial Support..............	12	155	19	613	7	458
S/IG:						
Inspection and Audit Support....	2	250	5	691	3	441

STATE - S/CT

International Cooperation, Policy Development and Inter-agency Coordination, 2 Positions (Americans) and $54,000.

The four area officers and three functional officers assigned the responsibility to develop, coordinate and pursue U.S. counterterrorism initiatives around the world are inadequate to maintain the number of initiatives and problems currently on the U.S. agenda.

The Advisory Panel report has clearly identified the importance of intensified international initiatives on a bilateral and multilateral front. Specifically, it urged the Secretary to develop and initiate broadly based proposals to engage other nations and international organizations to deal with terrorism and recommended a major U.S. diplomatic effort at NATO, the OAS, the UN, the international financial institutions and other groups.

These initiatives involve several basic fields such as: intelligence, public diplomacy and political action; restrictions on the sale of military goods; economic and commercial pressures; and civil aviation security. These require coordination within the U.S. Government. The office has already begun and plans to increase its coordinating role both with other governments and among U.S. agencies.

At present four regional officers and one secretary attempt to cover all the geographic regions of the world in terms of regional initiatives. One of the four officers also serves as supervisor. None of the officers can effectively backstop another because the issues are so diverse, nor can each handle more than a very limited number of initiatives or problems. To help alleviate this situation, one GS-15 and one GS-14 program officer position are requested in FY 1986. The senior position will permit a full-time Associate Director for Regional Affairs to be created, and the other position will provide a second officer for the geographic regions with the heaviest workload. Costs include: $54,000 for salary and support costs.

The five-year costs for this program are:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries and Support.	$54	$133	$284	$334	$369	$1,174
Travel/Space.........	--	110	181	144	125	560
Funding...............	54	243	465	478	494	1,734
Positions.............	2	2	6	6	6	6

STATE - DS/CTP

Anti-Terrorism Assistance Program, 1 position and $28,000:

The Foreign Assistance Authorization Act of 1986 contained language inserted by the House and agreed upon at conference which requires the State Department to coordinate the Anti-Terrorism training programs of all U.S. Government agencies. An additional $5 million was also authorized for related anti-terrorism programs, with special emphasis on strengthening airport security around the world. (For this supplemental, funding for the anti-terrorism program is being requested under the Anti-Terrorism Assistance appropriation while salaries and office moving costs are being requested here as part of the Salaries and Expenses appropriation.) Finally, this language increased the scope for use of such funds in the purchase of equipment.

These Anti-Terrorism programs are generating a continuing increase in training. There will be a carryover of over 800 training requests into FY 1986 that could not be satisfied in FY 1985. About 2,000 individuals will be trained in FY 1986 (a 66% increase over the FY 1985 total of 1,200 individuals), new courses will be developed, the lengths of existing courses will be extended in order to meet more sophisticated demands, and special civil aviation security training will be provided.

An increase of one FS-03 program officer position and $28,000 will provide the necessary additional manpower for meeting this increased workload and the new requirements of coordinating and administering a worldwide inter-agency program emphasizing Civil Aviation and International Airport Security. This program officer position will absorb some of the additional workload resulting from the anticipated increase in the number of individuals trained, coordination with the other agencies on civil aviation and airport security matters via threat assessment analysis and related travel, changes in course composition, developing new courses and finding additional training resources. This position will coordinate the training and develop other training sources from federal, state, local, private and professional law enforcement associations, as well as the transportation (airline and others) industries.

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries/Support.....	$27	$66	$208	$259	$267	$827
Travel...............	1	56	101	62	64	284
Funding...............	28	122	309	321	331	1,111
Positions.............	1	1	4	4	4	4

STATE - DS/CTP

Central American Police Training, 2 positions (Americans) and $59,000.

The Law Enforcement Counterterrorism Assistance Program (LECTAP) staff will be responsible for the planning and design of the police training assistance programs to be offered to the participating Central American countries. This staff will coordinate the participation of cooperating USG federal, state and local law enforcement authorities; participate in the negotiations and discussions through our diplomatic missions with participating countries; implement the country programs, including oversight, evaluation and control of program direction, content, and appropriate and effective utilization of resources; coordinate the program's operation with other USG programs; and coordinate with the appropriate Congressional authorities on the progress of the program.

The staff required to initiate the program will consist of one GS-15 and one GS-13 program officer. These individuals will develop the working relationship between the Central American governments and the U.S. Government and will assist in the design and the logistical planning of the training assistance.

Eventually the LECTAP staff will consists of: 1 Deputy Executive Director, 1 program manager who oversees the program and coordinates the posts' inquiries and responses with the Department and the other agencies' representatives; 10 program officers (3 officers overseas and 4 officers in the U.S.) who plan and coordinate the civilian police training assistance to the participating countries in accordance with their specific requirements, and 6 administrative positions (1 budget and fiscal officer, 1 administrative officer, 1 administrative assistant and 3 secretaries) who provide support to the program.

In addition to these LECTAP positions, a staff of 5 experts/consultants from the federal and local law enforcement community will be required to provide guidance and expertise in the formulation and execution of the program.

The LECTAP program management funds provide for travel and transportation expenses, rental of office and word processing equipment, and supplies.

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries and Support.	$59	$134	$702	$917	$956	$2,768
Travel...............	--	109	689	519	528	1,845
Funding..............	59	243	1,391	1,436	1,484	4,613
Positions............	2	2	18	18	18	18

STATE - EUR

Replacement of Foreign Service Nationals at Soviet and Eastern European Posts, 108 contract positions (Americans) and $6,330,000.

The FY 1986-7 State Department Authorization Act and the Advisory Commission Report on Overseas Security have set forth guidelines and recommendations concerning security in our Soviet and Eastern European Missions. Section 136 of our Authorization Act states:

> "SOVIET EMPLOYEES AT UNITED STATES DIPLOMATIC AND CONSULAR MISSIONS IN THE SOVIET UNION.
>
> (a) LIMITATION.-To the maximum extent practicable, citizens of the Soviet Union shall not be employed as foreign national employees at United States diplomatic or consular missions in the Soviet Union after September 30, 1986.
>
> (b) REPORT.-Should the President determine that the implementation of subsection (a) poses undue practical or administrative difficulties, he is requested to submit a report to the Congress describing the number and type of Soviet foreign national employees he wishes to retain at or in proximity to United States diplomatic and consular posts in the Soviet Union, the anticipated duration of their continued employment, the reasons for their continued employment, and the risks associated with the retention of these employees."

To comply with these guidelines and recommendations the Bureau of European Affairs is requesting additional funding to hire, contract, train, equip, support and send to post an American staff to initiate a replacement program for the current Foreign Service National (FSN) staff in the U.S.S.R. and Eastern European posts. The requested funding will cover contractor costs, salaries, benefits, allowances, housing (rents, utilities and furniture and furnishings), travel and transportation.

The current FSN staff hold various positions in U.S. Embassies and Consulate Generals in Eastern Europe and the Soviet Union, i.e., political assistant, consular assistant, science assistant, accountants, cashiers, personnel assistants, general services assistants, clerks, secretaries, telephone operators, drivers, mechanics, electricians, painters, carpenters, upholsters, charforce, yardman, laborers and household servants. The Department of State does not currently employ full-time permanent American personnel in many of the above categories.

It is anticipated that the contract will be signed by early July 1986. Therefore, this supplemental requests $6,330,000 -- one-fourth of the full year costs for the contract personnel going to U.S.S.R. and Eastern Europe. The balance of the full-year costs ($21,990,000) must be annualized in FY 1987.

American Contractual Services - Moscow
This request for $4,542,000 in FY 1986 and $16,626,000 in FY 1987 will cover the cost of replacing selected FSN staff currently employed at the U.S. Embassy in Moscow and the U.S. Consulate General in Leningrad with American contract personnel. The total cost of replacing the current FSN Staff is $21,168,000. In addition to the 79 American contract personnel, 90 FSN personnel will be retained in a CORE Mission arrangement.

American Contractual Services - Eastern Europe
This request for $1,788,000 in FY 1986 and $5,364,000 in FY 1987 will cover the cost of replacing FSN employees holding certain jobs in various Eastern European posts with 29 American Contractors. This exchange will be similar to the one for the Soviet Union.

The five-year costs for the replacement of FSN staff at Soviet and Eastern European posts are as follows:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding..............	$6,330	$28,320	$29,453	$30,639	$31,780	$126,522

Security Training - FSI, 9 positions (Americans) and $355,000:

The following resources are required for the Foreign Service Institute in support of the Advisory Panel recommendations on overseas security:

Coping With Violence Abroad, two positions (GS-13 and FS-03).

Washington Seminar. The present one-day seminar will be expanded to include additional training segments during a second day. Administrative costs for 1986 will be $21,000; administrative and program development costs for 1987 will be $65,000.

Overseas Seminar. To monitor and improve the post-specific portion of this seminar presented to employees arriving at overseas missions, two positions (GS-13 and FS-03) are required. Administrative costs to monitor this program in 1987 will be $55,000.

Train the Trainer, one position (GS-13). The Coping With Violence Abroad seminar and a wide variety of other security-related training programs draw heavily on non-professional educators to relay their expertise on such diverse topics as U.S. Government policy on terrorism and evasive driving. The Advisory Panel pointed out that these lecturers should receive training in instructional techniques so that their presentations will be as effective as possible. To be able to "train the trainer" the Foreign Service Institute must establish a new Course Manager for Instructor Training. For this to be a viable and continuing program, the position should be filled by a person with experience as a professional educator and with expertise in instructional techniques. Course development costs in 1987 will be $27,000 and administrative costs $17,000.

Post Security Officer Training. The Advisory Panel proposed establishing a new training program for Post Security Officers. The first stage of course development during 1986 will cost $20,000. Completion of course design during 1987 will cost $80,000 and administrative costs will be $19,000.

General Services Officers for Residential Security, four positions (2 FS-03 and 2 GS-05). To train the 60 new GSO positions for the residential security program (30 in 1986 and 30 in 1987) the following courses are required: (1) an Officer Orientation Course of 8 weeks requiring 1 FS-03 and 1 GS-05 and costing $40,000 to administer in 1986 and $45,000 to administer in 1987; (2) Administrative Training for 9 weeks requiring 1 FS-03 in 1986 and costing $45,000 in 1987 to administer; and (3) Language and Area Studies of 20 weeks requiring 1 GS-05 position in 1986 and costing $105,000 to administer in 1987.

New Information Systems Managers, two positions (FS-03) in 1986 and two positions (GS-12) in 1987. Forty-two information systems manager positions are to be established abroad. These personnel will require the following training: (1) an Officer Orientation Course of 8 weeks requiring 1 FS-03 and costing $55,000 to administer in 1986; (2) Administrative Training of 9 weeks requiring 1 FS-03 in 1986 and costing $38,000 to administer in 1987; (3) Language and Area Studies of 20 weeks costing $101,000 to administer in 1987; and (4) Information Systems Manager Training (20 persons for 16 weeks and 20 persons for 4 weeks) requiring 2 GS-12 positions in 1987.

New Security Positions. Thirty-two regional security officers (17 in 1986 and 15 in 1987) will be established abroad to assist in administering security programs. In addition to specialized security training, these personnel should receive a 10 week "Fast" language course and 2 weeks in area studies. Administrative costs will be $87,000 in 1987.

New Counterterrorism Positions. Twenty-five positions established in the new bureau or dedicated to other counterterrorism efforts will require the 8 week Officer Orientation Course costing $33,000 to administer in 1986.

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries and Support.	$186	$482	$538	$559	$582	$2,347
Other Course Costs...	169	684	779	790	900	3,322
Funding...............	355	1,166	1,317	1,349	1,482	5,669
Positions.............	9	11	11	11	11	11

STATE - LEGAL

Legal Support, 10 positions (Americans) and $142,000.

The Office of the Legal Adviser requires 10 positions in 1986 and 2 positions in 1987 to support two elements of the Advisory Panel on Overseas Security recommendations - extradition treaties and the large new overseas construction program.

Extradition Treaties, three attorneys (GS-11 through 15), one paralegal (GS-09), and one secretary (GS-07). The Office of Law Enforcement and Intelligence Affairs (L/LEI) bears primary responsibility for negotiation and implementation of extradition and mutual legal assistance treaties, as well as for legal work on international terrorism, narcotics, intelligence, and other international criminal matters. L/LEI has only five attorneys, two secretaries, and one operations officer. This represents a serious understaffing for an office having substantial responsibilities that are projected to grow rapidly.

Concerning extradition and mutual legal assistance treaties, there are now thirteen negotiations underway or definitely scheduled, with perhaps six more pending. The annual number of extradition requests, each of which (incoming or outgoing) must be processed by L/LEI, has doubled in the last five years from 227 to an expected figure of over 450 this year. New requirements generated by the Advisory Panel will substantially increase this already heavy workload.

While the staff strength of L/LEI has not kept pace with this workload growth, the staff of L/LEI's counterpart office for extradition and mutual legal assistance at the Department of Justice (the Office of International Affairs) has increased correspondingly, more than quadrupling since 1979 to a current total of twenty attorneys, nine secretaries, five paralegals, and two legal technicians. Further increases are expected in the next two fiscal years.

Overseas Buildings Support, four attorneys (GS-13 through 15) and one secretarial position (GS-05) in 1986. Five positions are needed in 1986 and two more positions (GS-13) are required in 1987 to support the Office of Foreign Buildings to meet the legal requirements of a massive new construction program. Currently there are no legal personnel fully dedicated to legal problems associated with building construction. The expanded construction and related activities will require immediate legal assistance for land purchases and other matters related to site preparation and construction. In addition, as construction moves forward, substantial legal assistance will be needed for contract disputes and claims resulting from contractor and host country activities.

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Extradition........	$ 66	$ 226	$ 231	$ 238	$ 246	$1,007
Construction.......	76	347	375	388	401	1,587
Funding.............	142	573	606	626	647	2,594
Positions...........	10	12	12	12	12	12

Personnel Support, 7 positions (Americans) and $340,000.

The recruitment and support of nearly 900 new permanent employees and over 600 contract or temporary employees during 1986-7 to implement recommendations by the Advisory Panel on overseas security will dramatically increase the workload of central personnel. To handle this increased workload, the Office of Personnel (M/DGP) will require 7 positions in 1986 to establish a significantly broader recruitment program and maintain ongoing efficient and effective human resource management. Provided below is the justification for additional resources in the areas of recruitment, position and pay management, employee relations and personnel data processing.

Recruitment, Examination and Employment, 3 positions. To meet the expanded workforce needs, 3 professional recruiters (GS-12) are required to recruit, assess, and examine new and temporary employees. Support of these positions totalling $95,000 will be required to expand efforts in both recruitment and evaluation to cover costs for advertising, national publications, television and other media, and recruitment literature.

Position and Pay Management, 1 position. One classifier (GS-12) will be used for position management of new positions.

Employee Relations, 2 positions. One benefits and home leave clerk and 1 Worker's Compensation clerk will be necessary to meet expanded workload requirements.

Office of Management Staff, 1 position. A processing clerk is necessary to process the additional personnel forms and for file management. Also, $90,000 is necessary for computer hardware and software, primarily for IBM personal computers.

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries and Support.	$ 155	$ 265	$ 270	$ 275	$ 280	$1,245
Other Support........	185	185	185	185	185	925
Funding...............	340	450	455	460	465	2,170
Positions.............	7	7	7	7	7	7

Financial Support, 12 positions (Americans) $155,000.

The following resources (12 positions in 1986, 7 positions in 1987 and 2 positions in 1988) are required for the Office of the Comptroller in support of the Advisory Panel recommendations on overseas security:

Office of Budget and Planning, 3 positions in 1986. Three additional positions are required in 1986 to provide overall financial and program management analysis and coordination of the budget formulation, presentation and execution processes relating to the Department's security program which will total over $2 billion for FY 1986-1987 in new construction and other security efforts. The requirements are:

Security Program Coordinator (GS-14). This position is a supervisory budget analyst, where the incumbent is responsible for managing and coordinating the Departmental review, examination, presentation and execution of the overall security budget and special reports relating to the FY 1985 and 1986 security supplementals to senior Departmental officials, OMB and the Congress.

Security Budget Analyst (GS-13). This budget analyst position is responsible for the examination, formulation, presentation and execution of the Department's security program budget for the regular Acquisition and Maintenance of Buildings Abroad appropriation.

Security Budget Analyst (GS-13). This budget analyst position is responsible for the examination, formulation, presentation and execution of the Department's overseas security program budget for all appropriations, excluding the regular Acquisition and Maintenance of Buildings Abroad appropriation.

Office of Financial Operations, 8 positions in 1986, 7 positions in 1987 and 2 positions in 1988. The substantial financial operations workload generated by the Advisory Panel will have significant impact on this office.

Central accounting and reporting, 2 positions (GS-05) in 1986. These positions will provide required central accounting and reporting of all financial transactions relating to overseas security. In addition, these individuals will resolve problems, render advice and otherwise support accounting and reporting needs of financial managers for overseas security. An additional GS-05 position will be required in 1987 as this workload continues to grow.

Central Claims, 6 positions (GS-05 through 07) in 1986. The Commercial Claims Branch will require 3 voucher examiners in 1986 to process thousands of transactions generated by contracts, transportation, supplies, and services related to new security requirements. As this workload continues to grow, this Branch will need an additional 4 voucher examiners in 1987 and 2 voucher examiners in 1988.

Also, the Employee Claims Branch will need 2 voucher examiners in 1986 to process the large number of additional travel vouchers from personnel travelling pursuant to security needs. As this workload continues to grow, an additional travel voucher examiner will be needed in 1987.

Finally, a payroll technician is needed in 1986 and a retirement technician is required in 1987 to process and maintain the larger number of transactions and records.

Financial Systems, 1 position (GS-13) in 1986. A GS-13 management analyst is required for Internal Control purposes to monitor the management control objectives, systems and techniques developed for the worldwide security program — particularly the large new overseas building program. In addition, special oversight and monitoring of the Real Estate Management System will be needed to assure that all budgetary and financial data is accurately and promptly recorded as well as to comply with Circular A-127 requirements from the Office of Management and Budget.

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Funding..............	$155	$ 613	$ 690	$ 690	$ 690	$2,838
Positions............	12	19	21	21	21	21

STATE - S/IGP

Inspection and Audit Support, 2 positions (Americans) and $250,000.

To support recommendations made by the Advisory Panel on overseas security, the following resources (2 positions in 1986 and 3 positions in 1987) are requested for inspection and related audit purposes:

> Audit Qualified Inspectors, 1 position in 1986 and 2 positions in 1987 (FP-04). These three positions will be required to audit the proposed new security bureau and the related large overseas and domestic funding programs.
>
> Investigators, 1 position in 1986 and 1 position in 1987 (GS-11 and GS-13). The two positions would be primarily used to ensure that internal controls remain effective with the infusion of large programs devoted to security.
>
> Outside Audit Resources, $175,000 in 1986 and $400,000 in 1987. The large increase in funding for security-related building and renovation projects will require substantially increased audit support by outside entities such as the Defense Contract Audit Agency and private CPA firms.
>
> Consultants, $25,000 in 1986 and $91,000 in 1987. These funds would be used to set up Boards of Inquiry resulting from special inquiries made necessary by implementation of the Advisory Panel recommendations on overseas security.

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Salaries and support.	$ 50	$200	$240	$250	$260	$1,000
Audit and Consultants	200	491	484	499	514	2,188
Funding................	250	691	724	749	774	3,188
Positions..............	2	5	5	5	5	5

SUMMARY

AGENCY FOR INTERNATIONAL DEVELOPMENT

$500,000 in FY 1986 and $500,000 in FY 1987

(dollars in thousands)

PROGRAM	1986 ESTIMATE		1987 ESTIMATE		1987 CHANGE	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Communications Improvements	--	$500	--	$500	--	$--
Armored Vehicles	--	--	--	--	--	--
TOTAL, AID	--	$500	--	$500	--	$--

AID

Communications improvements, $500,000. Effective emergency communications are the cornerstone to any good security operation. For AID, the emergency evacuation radio program also supports residential security needs, the management of personnel during civil disturbances and counterterrorist activities. To bring AID's radio program up to desired standards, $2,500,000 is required for a five-year program in equal installments of $500,000. This includes the maintenance and upgrading of existing systems and the completion of the AID policy of one radio per direct hire employee.

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
	$500	$500	$500	$500	$500	$2,500

Armored vehicles, $--. The cost reflected for vehicle armoring is based upon: 1) an average cost of $8,500 for light armoring; and 2) compliance with the recently established State Department Airgram A-278. The AID-established ratio of three persons per vehicle was used to determine the number of vehicles requiring armoring. It is anticipated that there will be one complete turnover of the vehicle fleet during the five-year period.

At least one fully armored vehicle has been recommended for each high threat post. Each fully armored vehicle costs $120,000. They should be replaced every three years. For FY 1986 and FY 1987, funds for light armored vehicles are provided in the appropriation, "Operating Expenses of the Inspector General."

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
	$--	$--	$1,203	$2,975	$1,796	$5,974

USIA

SUMMARY

UNITED STATES INFORMATION AGENCY

$1,402,000 in FY 1986 and $1,460,000 in FY 1987

(dollars in thousands)

PROGRAM	1986 ESTIMATE Pos.	1986 ESTIMATE Amount	1987 ESTIMATE Pos.	1987 ESTIMATE Amount	1987 CHANGE Pos.	1987 CHANGE Amount
Communications Improvements.......	--	$1,402	--	$1,460	--	$58
Armored Vehicles.................	--	--	--	--	--	--
Domestic Security................	--	--	--	--	--	--
TOTAL, USIA......................	--	$1,402	--	$1,460	--	$58

Communications improvements, $1,402,000. An effective emergency radio program is essential for the security of USIA and VOA American officers overseas. USIA policy is for each American officer to have a portable radio at his/her residence. In addition, at a minimum, the PAO vehicle at each post and a varying number of VOA vehicles should be equipped with a mobile radio.

HF radios are required at certain USIA/VOA posts that are in isolated or high threat areas and/or are the sole official American presence in the area. HF and VHF radios are also required for the 24 VOA relay stations around the world. Therefore, funds to initiate a five-year program to provide a sufficient number of radios for USIA posts and VOA Relay Stations are requested.

To bring USIA's radio program up to desired standards, $7,584,000 is required for a five-year program in installments adjusted for inflation. This includes costs for the maintenance and upgrading of existing systems and the completion of the USIA policy of one radio per American officer.

Funds should be obligated in annual installments beginning at $1,402,000 as identified in the following table.

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
USIA (VHF).............	$573	$597	$621	$644	$666	$3,101
USIA (HF Posts)........	364	379	394	409	423	1,969
VOA (HF Relay).........	465	484	503	522	540	2,514
Funding................	1,402	1,460	1,518	1,575	1,629	7,584

Armored vehicles, $0. USIA requires additional light and fully armored passenger vehicles at our overseas facilities to protect our personnel traveling to and from work and while conducting official business during the workday. USIA requires funds for fully armored vehicles at the high threat posts and for a five-year light armoring program. The existing USIA armored vehicle fleet is not adequate to protect current personnel and the turnover rate has been reviewed to assure this number of vehicles is needed in the new five-year program. For USIA to accomplish its program goals, nine fully armored vehicles at $109,000 each and 175 light armored vehicles at $9,000 each will be required over the five-year program. Total costs for armored vehicles in this five-year program is $2,662,500 Procurement will begin in FY 1988.

The following is an annual fund projection for the armored vehicle program.

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Fully...............	$--	$--	$545	$436	$--	$981
Light...............	--	--	409	412	$860	1,681
Funding.............	--	--	954	848	860	2,662

Domestic security, $--. Recent security threats in the Washington area have highlighted the potential dangers from domestic incidents. Funding is requested for security and monitoring systems in USIA's four major facilities in the Washington Metropolitan area. Equipment to be installed includes closed circuit television monitors, x-ray equipment, classified material destruction devices, VHF radios and VCR cameras and recorders.

Total program costs are $182,000.

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Domestic security......	$--	$--	$40	$142	$--	$182

DEPARTMENT OF COMMERCE OVERSEAS

Armored Vehicles, $--:

The amount requested would provide a fully armored vehicle at each of six high threat Foreign Commercial Service posts and light armored vehicles at 21 Foreign Commercial Service and U.S. Travel and Tourism Administration (USTTA) posts. These vehicles will be used for office-to-office transportation during the working day. A ratio of three persons per vehicle was used to determine the number of vehicles requiring armoring. It is anticipated that there will be one complete turnover of the vehicle fleet during each five-year period.

At least one fully armored vehicle has been recommended for each high threat post. Each vehicle will be in radio contact with the office. A total of $1,800,000 is required to support this program which will begin in 1988.

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
	$--	$--	$560	$560	$680	$1,800

PEACE CORPS

$250,000 in FY 1986 and $18,000 in FY 1987

Peace Corps security, $250,000:

The Peace Corps has traditionally maintained an open attitude toward the people and locations it serves. However, the deteriorating economic conditions in many of the countries in which the Peace Corps serves and increasing reports of tampering with Peace Corps vehicles has led to increased concern about the security of its equipment and safety of its personnel. As is the case with AID and other buildings, it is anticipated that Peace Corps facilities and personnel will become more attractive to terrorists once security is enhanced at other U.S. facilities. These funds will provide security improvements to Peace Corps buildings, equipment and personnel; and in the event of an emergency, provide time and communication capability for individuals isolated from larger U.S. Foreign Service communities.

A summary of Peace Corps requirements, which are based on an assessment of the potential threat in-country, follows:

(Dollars in Thousands)

	1986 ESTIMATE		1987 ESTIMATE		1987 CHANGE	
PROGRAM	Pos.	Amount	Pos.	Amount	Pos.	Amount
Physical security upgrades for buildings	--	$58	--	$--	--	-$58
Emergency Communication equipment	--	156	--	18	--	-138
Vehicle locks	--	36	--	--	--	-36
Total, Peace Corps security	--	250	--	18	--	-232

Five-year funding for this program is:

(dollars in thousands)	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
	$250	$18	$18	$19	$19	$324

Physical Security Upgrades for Peace Corps Buildings, $58,000. After assessing in-country threats to Peace Corps personnel and activities, five posts have requested funds for a variety of physical security enhancements for offices and staff residences, including grates, grills, burglar alarms and window bars.

The following is a breakdown of the locations where physical security improvements are needed.

-- Intrusion alarms for staff houses and offices: Burkina Faso, Gabon, and Ecuador.

- Relocation costs for moving the existing office to a more secure area: Tunisia.
- Grills, walls, gates, and escape doors for office buildings: Gabon, Mali, and Ecuador.

Emergency Communication Equipment, $156,000. These funds are required for vehicular and portable radios at Six Peace Corps posts (Dominican Republic, Burkina Faso, Mali, Jamaica, Zaire and Mauritania). These radios will ensure communications between Peace Corps offices and volunteers located in remote sites. It is essential that Peace Corps staff be able to reach volunteers in remote areas to ascertain their safety and to provide instructions for possible evacuation. Current emergency plans in the countries requiring the equipment have inadequate local and national communications systems, which are likely to be disrupted or fully utilized by the government during an emergency situation.

Physical Security Locks for Vehicles, $36,000. Vehicle theft and damage is an increasing problem at many Peace Corps locations overseas. These funds will provide for installation of anti-theft devices on 340 vehicles at 40 Peace Corps locations.

FISCAL YEAR 1986 SECURITY SUPPLEMENTAL

APPROPRIATION LANGUAGE

Salaries and Expenses

For an additional amount for "Salaries and Expenses", $237,494,000 to remain available until September 30, 1987.

Requirements by Object Class

(dollars in thousands)

FY 1986 Security Supplemental

Object Class	1985 Actual	1986* Estimate	Built-in* Changes	1987* Base	Program* Changes	1987* Request	1987 Incr.* over 1986
Personnel compensation........	--	$4,784	$15,455	$20,239	$805	$21,044	$16,260
Personnel benefits............	--	1,446	2,253	3,699	80	3,779	2,333
Benefits for former personnel.	--	--	--	--	--	--	--
Travel and transportation of persons.................	--	6,389	1,096	7,485	3,123	10,608	4,219
Transportation of things......	--	2,533	164	2,697	1,540	4,237	1,704
Rents, communications and utilities...................	--	8,400	5,936	14,336	710	15,046	6,646
Printing and reproduction.....	--	265	80	345	198	543	278
Other services................	--	136,526	11,764	148,290	22,115	170,405	33,879
Supplies and materials........	--	10,006	1,713	11,719	5,166	16,885	6,879
Personal property.............	--	41,675	-96	41,579	19,390	60,969	19,294
Land and structures...........		25,470	25,470	-	-	--	-25,470
	------	------	------	------	------	------	------
Total.........................	-	$237,494	$12,895	$250,389	$53,127	$303,516	$66,022

* Includes costs for full-time Americans.

DEPARTMENT OF STATE

FISCAL YEAR 1986 SECURITY SUPPLEMENTAL

Counterterrorism Research and Development

Appropriation: Counterterrorism Research and Development

Appropriation to Date: $-- Request: $10,000,000

Amended Appropriation Requested: $10,000,000

Purpose and Need for Supplemental Funds

Emergency Protection for U.S. Personnel and Facilities

A fiscal year 1986 security supplemental of $10,000,000 is requested to initiate the Counterterrorism Research and Development Plan. This Plan will provide a focus for coordinating the efforts of participating U.S. Government agencies to develop the technology to deter a wide range of terrorist and technical threats against U.S. personnel, facilities and national security information overseas.

FISCAL YEAR 1986 SECURITY SUPPLEMENTAL ESTIMATES

Counterterrorism Research and Development

JUSTIFICATION

Counterterrorism Research and Development Plan, $10,000,000:

The Technical Support Group of the Interdepartmental Group on Terrorism has identified major deficiencies in development funding for new techniques in identifying and countering potential terrorist attacks. Accordingly, a new appropriation is proposed to address these deficiencies.

Improvements in our ability to combat terrorism is highly dependent on our utilization of advanced technology. Much of this technology is available from U.S. Government agencies already proficient in these areas. However, because of the wide diversity of terrorist threats, as well as the traditional differences in the missions of various Government agencies, there are currently significant, specific gaps in technological programs which no individual agency now has responsibility for addressing. Funding of the Counterterrorism Research and Development Plan proposed here will provide for a focused and coordinated interagency effort to fill these gaps in combatting terrorism. The funds will be utilized largely by other agencies according to agreed interagency research priorities for advanced technology applicable to countering terrorism.

It is extremely important that we develop the ability to anticipate potential terrorist tactics and develop suitable countermeasures before serious incidents occur. To do this effectively, it is equally important that we improve our technological capabilities in these areas. The scientific and technical know-how exists, but we do lack a funded interagency structure to coordinate these activities and assure that all major technological areas are being addressed. Without this central coordination, there is no certainty that technological evolutions in the terrorist threat will be adequately addressed, or that research areas currently being neglected will be identified and pursued.

Five-year costs for the counterterrorism research and development plan are as follows:

(dollars in thousands)

	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	TOTAL
Counterterrorism R&D..	$10,000	$20,000	$19,000	$18,000	$17,000	$84,000

FISCAL YEAR 1986 SECURITY SUPPLEMENTAL

APPROPRIATION LANGUAGE

Counterterrorism Research & Development

For necessary expenses for "Counterterrorism Research & Development," $10,000,000 to remain available until September 30, 1987.

Requirements by Object Class
(dollars in thousands)

FY 1986 Security Supplemental

Object Class	1985 Actual	1986 Estimate	Built-in Changes	1987 Base	Program Changes	1987 Request	1987 Incr. over 1986
Other Services..................	--	$10,000	--	$10,000	$10,000	$20,000	$10,000
Total...........................	--	$10,000	--	$10,000	$10,000	$20,000	$10,000

COUNTERTERRORISM RESEARCH AND DEVELOPMENT*

For expenses, not otherwise provided, to provide for a government-wide Counterterrorism Research and Development program, $30,000,000; additional authorizing legislation to be proposed.

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*See Part II for additional information.

Counterterrorism Research and Development

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
--	--	--	$10,000	--	$20,000	--	$10,000

I. Summary

The Counterterrorism Research and Development Program, authorized in 1986, is a response to the alarming increase in international terrorist activity (e.g., hijackings, bombings, hostage-taking, kidnapping and assassinations). This program will be administered by the Department and will be supporting the Interdepartmental Group on Terrorism (IG/T).

II. Current Programs

A fiscal year 1986 security supplemental of $10,000,000 is requested to initiate the Counterterrorism Research and Development Plan. This Plan will provide a focus for coordinating the efforts of participating U.S. Government agencies to develop the technology to deter a wide range of terrorist and technical threats against U.S. personnel, facilities and national security information overseas.

III. FY 1987 Plans

Improvement in our ability to combat terrorism is highly dependent on our utilization of advanced technology. Much of this technology can be derived from already proficient U.S. agencies. The increase of $10,000,000 will provide for special interagency counterterrorism research and development activities. The sensitive nature of the activities carried out under this program are aimed at countering the international terrorist activities.

COunter Terrorism Research and development

FY 1987
SUMMARY OF ACTIVITIES

	POSITIONS				FUNDS ($000s
	Americans		FSNs	Total Pos.	Total Funds
	Dom.	Ovseas			
1986 CURRENT ESTIMATE	--	--	--	--	$10,000
Built In Changes	--	--	--	--	10,000
1987 CURRENT SERVICES	--	--	--	--	20,000
1987 REQUEST (BUDGET AUTHORITY)	--	--	--	--	20,000
Increase or decrease of 1987 over/from 1986	--	--	--	--	10,000

	POSITIONS			FUNDS		
Comparison of Activities	1985 Actual	1986 Estimate	1987 Request	1985 Actual	1986 Estimate	1987 Request
Counterterrorism Research and Development	--	--	--	--	$10,000	$20,000
TOTAL BUDGET AUTHORITY	--	--	-		299,270	145,080

Counterterrorism Research and Development

FY 1987
Justification of Program Activities

	Positions		Funds
	American	FSN	(in thousands)
1987 Request........................	--	--	$20,000

The findings of the State Department's Technical Support Working Group, which were submitted to the National Security Council, revealed substantial technical vulnerabilities in overseas operations at diplomatic facilities. The quality and sophistication of the present technical threat to these operations far exceeds the countermeasures capabilities of the Department and the U.S. Government security community in general. For example, the current technology of advanced penetration methods provides a clear message that our overseas operations will continue to be vulnerabilities unless a rapid and substantial investment in counterterrorism research and development is made.

Improvements in our ability to combat terrorism is highly dependent on our utilization of advanced technology. Much of this technology is available from U.S. Government agencies already proficient in these areas. However, because of the wide diversity of terrorist threats, as well as the traditional differences in the missions of various Government agencies, there are currently significant, specific gaps in technological programs which no individual agency now has responsibility for addressing. Funding of the Counterterrorism Research and Development Plan proposed here will provide for a focused and coordinated interagency effort to fill these gaps in combatting terrorism.

It is extremely important that we develop the ability to anticipate potential terrorist tactics and develop suitable counter-measures before serious incidents occur. To do this effectively, it is equally important that we improve our technological capabilities in these areas. The scientific and technical "know-how" exists, but we lack a funded interagency structure to coordinate these activities and assure that all major technological areas are being addressed. Without this central coordination, there is no certainty that technological evolutions in the terrorist threat will be adequately addressed, or that research areas currently being neglected will be identified and pursued.

Counterterrorism Research and Development

FY 1987
Justification of Changes

INCREASES

Program Changes $10,000,000

National Counterterrorism Program, $10,000,000.

This increase, above the 1986 level of $10,000,000, will provide for additional special interagency counterterrorism research activities.

Counter-Terrorism Research and Development

FY 1987
REQUIREMENTS BY OBJECT CLASS
(dollars in thousands)

Object class	1985 Actual	1986 Estimate	Built-in Changes	Current Services	Program Changes	1987 Request	1987 Inc Ovr 1986
Other Services....	--	$10,000	$10,000	$20,000	--	$20,000	$10,000
TOTAL BUDGET AUTH.	--	10,000	10,000	20,000	--	20,000	10,000

GENERAL STATEMENT

Mr. SPIERS. Mr. Chairman, I would like to go quickly through an oral presentation and present the statement for the record.

This morning, the Secretary made a couple of basic points that our request for 1987 is essentially flat except for the security add-ons that now after a number of years we have put together and presented a comprehensive security program. That is what is responsible for the increases essentially.

You have noted the irony and I guess I have to agree with you that this is coming now where if it had come five years ago the circumstances might have been very different.

Mr. SMITH. If you had such a high base you couldn't have used the freeze.

Mr. SPIERS. Right.

I was prepared, Mr. Chairman, to go over the whole budget request, which is essentially in four major categories. The first, as you have noted, is $3.381 billion for administration of foreign affairs. That covers salaries, operating expenses, allowances, overseas buildings, construction and maintenance, and the Department's basic diplomatic and consular functions. The amount is $739.5 million above the 1986 level and has the following components. First, $570.6 million, a net increase in our Foreign Building Program. This increase is due to ongoing projects designed to improve the security at our embassies overseas; $147.4 million is a net increase in the Salaries and Expenses appropriation. Thirty-seven percent of this amount is required to continue operations at the 1986 level. The balance is requested for improvement in areas such as security, reporting analysis, and information systems.

I would like to get into this a little bit more in detail in a moment.

And finally, a net $21 and a half million increase in other smaller appropriations which includes a $10 million increase for Counterterrorism Research and Development.

Second, overall in the area of International Organizations and Conferences, the Department is requesting $493.2 million to cover assessed contributions to international organizations of which we are a member, contributions for UN peacekeeping activities, and American participation in multilateral international conferences.

This request is $5.2 million below the 1986 level. and includes the following:

In the Contributions to International Organizations appropriations, the request of $432.9 million is a decrease of $30.1 million. This results primarily, as we indicated this morning, from Public Law 99-93, which reduces the U.S. contributions to UN and affiliated agencies by $79 million, so that the U.S. payments would not exceed 20 percent of assessed budget for any organization within that group except for the International Atomic Energy Agency.

An increase of $24.5 million for contributions to the International Peacekeeping account results from the funding of two consecutive mandated periods of UN assessment for the UN interim forces in Lebanon.

For International Conferences and Contingencies we are requesting $6.4 million for conference participation and contributions to new or provisional organizations.

The third overall heading is that of International Commissions. $29.7 million is requested to meet our treaty commitments under boundary agreements with Canada and Mexico and for funding to cover our share of expenses as a member of 12 international fisheries commissions.

There is a net increase of $1.1 million. This is largely due to the scheduled completion in 1987 of the Nogales International Wastewater Treatment Plant.

Finally, in the other appropriations category, we are asking for $18.5 million for the Bilateral Science and Technology Agreement with Yugoslavia, support for The Asia Foundation, the Soviet-East European Research Training Fund, and the Fisherman's Guaranty Fund. I believe you went over most of these programs yesterday. The net increase of $1.7 million is due to the Fisherman's Guaranty Fund, the responsibility for which is being transferred from the Department of Commerce.

The Department is seeking $702 million in 1986 supplemental appropriations to implement recommendations of the Advisory Panel on Overseas Security. Included in this figure is $237 million in Salaries and Expenses, $455 million for Foreign Buildings and $10 million in Counterterrorism Research and Development.

In 1987, an additional $1.4 billion would be required to continue these efforts.

SALARIES AND EXPENSES APPROPRIATION

I would like now to get into a little bit more detail on the Salaries and Expenses appropriation which comprises about 47 percent of our total appropriations request. That account provides for the salaries, benefits and allowances of our American and Foreign Service National employees, and for the operating expenses necessary to run our day-to-day operations.

The amount requested for Salaries and Expenses for FY 87 is $1.841 billion, and 20,600 positions. This is an increase of $147.4 million and 408 positions over 1986 after including supplemental requirements.

CURRENT SERVICES ADJUSTMENTS

Current services adjustments account for a net increase of $54.9 million after deducting one-time 1986 costs of $69 million.

This increase is the amount required to maintain current levels of services.

I would like to describe these increases in greater detail.

OPERATING COST INCREASES

$81.2 million is needed to provide for the 1987 impact of operating cost increases occurring in 1986. These include overseas price increases, Foreign Service National wages, the funding of new positions approved in 1986, and the security supplemental in 1986, which accounts for $67.4 million, or 83 percent of the increase in this category.

$9.2 million covers the additional salary costs for both American and Foreign Service National employees expected to occur during 1987.

And $33.5 is for anticipated overseas and domestic price increases. The cost of conducting foreign affairs overseas continues to escalate with anticipated price increases in every aspect of the Department's operations including transportation, rents, communications, utilities and contractual services.

Also included under this category are air fares, rental and services, and price resulting from the 1986 Security Supplemental for such items as the Residential Security Program and Protection of Foreign Officials in the United States.

PROGRAM CHANGES

Program changes accounts for a net increase of $92.5 million and 408 positions after deducting management initiatives intended to save an $11.1 million and 201 positions. These program changes have the following components:

First, a savings of $11.1 million and 201 positions as part of the Administration's deficit reduction program through automation, realignment of work requirements and productivity improvements.

$2 million is for additional Seabees required by the Office of Diplomatic Security to meet expanded workload for overseas construction, construction surveillance and other security related activities.

$10 million and 198 positions for strengthening political and economic reporting and analysis at key posts abroad.

$.8 million and two positions to support the Office of Micronesian Affairs.

$1.6 million and 34 positions to meet a projected 5.3 percent increase in the consular workload expected to occur in 1987.

$26.6 million and 144 positions for development and support costs associated with the Department's worldwide information systems.

$2 million for enhancements to the Department's telecommunications systems.

$4 million to provide initial costs for a new permanent educational facility for the Foreign Service Institute.

$53.1 million and 117 positions for new requirements in 1987 resulting from the 1986 security supplemental.

These appropriations requests are submitted by the Executive Branch and attempt to balance resource requirements with foreign policy objectives. We have made every effort to assure that sufficient resources are available for the United States to maintain its role in international affairs, with full regard to the stringent budgetary environment.

Mr. Chairman, Roger Feldman, Bob Lamb, and Dick Dertadian are with me today and we are prepared to address any questions that you might have.

[The prepared statement of Mr. Spiers follows:]

DEPARTMENT OF STATE
1987 BUDGET ESTIMATES

STATEMENT OF
RONALD I. SPIERS
UNDER SECRETARY OF STATE

BEFORE

THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS

FOR

COMMERCE, JUSTICE, STATE, THE JUDICIARY AND RELATED AGENCIES

MARCH 12, 1986

Mr. Chairman and Members of the Committee:

It is a pleasure to appear before you to present the Department of State's appropriation request for 1987. The requested appropriations are essential to attain our foreign policy objectives and represent our best judgments regarding the most prudent use of resources. The funding levels requested in this budget reflect the Administration's priorities and have been accommodated within the FY-1987 deficit ceiling.

The Department fully appreciates the need for fiscal constraint and we will continue to do our part in this area. We firmly believe, however, that budget decisions cannot be made in a policy vacuum; this is particularly so as the Department plays a key role in developing and implementing the policies essential to our national security.

This budget reflects the high priority of upgrading security for our people and for U. S. facilities overseas. It also reflects an increased emphasis on reporting and analysis as well as improved communications and information processing to support this effort. The need to upgrade security for our people and U.S. facilities overseas reflects our determination to meet the chilling challenge of the phenomenon of terrorism. The resources to meet this challenge reflected in the Diplomatic Security Program are large, but necessary.

Total Budget Request

The Department is requesting appropriations totaling $3,923,195,000 for 1987. This represents an increase of $737,083,000 over the the 1986 level of $3,186,112,000 after adding proposed supplementals. Also, the Department is requesting 21,258 positions, an increase of 409 from 1986 levels.

Major Components of the Funding Request

We are requesting appropriations in four major categories:

First, we are requesting $3,381,774,000 for the Administration of Foreign Affairs to cover salaries, operating expenses, allowances, overseas building construction and maintenance, and the Department's basic diplomatic and consular functions. This amount is $739.5 million above the 1986 level and has the following components:

-- $570.6 million net increase in our foreign buildings programs. This increase is due to ongoing projects designed to improve security at our embassies overseas.

- -- $147.4 million net increase in the Salaries and Expenses appropriation. 37% of this amount is required to continue operations at 1986 levels. The balance is requested for improvements in areas such as security, reporting and analysis and information systems. I will discuss this appropriation in greater detail later in this statement.

- -- A net $21.5 million increase in other smaller appropriations which includes a $10 million increase for Counterterrorism Research and Development.

Second, in International Organizations and Conferences, the Department is requesting $493.2 million to cover assessed contributions to international organizations of which the United States is a member; contributions for United Nations peacekeeping activities; and American participation in multilateral international conferences. The request is $5.2 million below the 1986 level and includes the following:

-- In the Contributions to International Organizations appropriation, the request of $432.9 million is a decrease of $30.1 million. This decrease results primarily from Public Law 99-93 which reduces the U.S. contributions to UN and Affiliated Agencies by $79 million so that the U.S. payments will not exceed twenty percent of the assessed budget for any organization within that group with the exception of the International Atomic Energy Agency (IAEA).

-- The increase of $24.5 million for Contributions to International Peacekeeping results from the funding of two consecutive mandate periods for the United States' assessment for the United Nations Interim Force in Lebanon.

-- For International Conferences and Contingencies, we are requesting $6.4 million for conference participation and contributions to new or provisional organizations.

Third, under the heading of International Commissions, $29.7 million is requested to meet our treaty commitments under boundary agreements with Canada and Mexico and funding to cover our share of expenses as a member of twelve international fisheries commissions. This is a net increase of $1.1 million and is largely due to the scheduled completion in 1987 of the Nogales International Wastewater Treatment Plant.

Finally, in the "Other Appropriations" category, we are requesting $18.5 million for Bilateral Science and Technology Agreements with Yugoslavia, support for the Asia Foundation, the Soviet-East European Research Training Fund, and the Fishermen's Guaranty Fund. The net increase of $1.7 million is due to the Fishermen's Guaranty Fund, the responsibility for which is being transferred from the Department of Commerce. This fund provides reimbursement to owners of commercial fishing vessels of the United States which are seized by foreign countries on the basis of claims to territorial waters or the high seas which the U.S. does not recognize.

1986 Supplemental Appropriations

The Department is seeking $702 million in 1986 supplemental appropriations to implement recommendations of the Advisory Panel on Overseas Security. Included in this figure is $237 million in Salaries and Expenses, $455 million in Foreign Buildings and, $10 million in Counter-Terrorism Research and Development. In 1987, an additional $1.4 billion will be required to continue these efforts.

The Salaries and Expenses Appropriation

Mr. Chairman, I would now like to discuss the Salaries and Expenses appropriation which comprises almost 47 percent of our total appropriation request. This account provides for the salaries, benefits and allowances of our American and Foreign Service National employees and for the operating expenses necessary to run our day-to-day operations.

The amount requested for Salaries and Expenses for fiscal year 1987 is $1,841.6 million and 20,600 positions, an increase of $147.4 million and 408 positions over 1986, after including supplemental requirements.

Current Services Adjustments

Current Services adjustments account for a net increase of $54.9 million after deducting one-time 1986 costs of $69 million. This increase is the amount required to maintain current levels of service. I would like to take a moment to describe these increases in greater detail.

$81.2 million is needed to provide for the 1987 impact of operating cost increases occurring in 1986. These include overseas price increases, Foreign Service national wages, the funding of new positions approved in 1986 and the security supplemental in 1986 which accounts for $67.4 million or 83% of the increase in this category.

$9.2 million covers the additional salary costs for both American and Foreign Service national employees expected to occur during 1987.

$33.5 million is for anticipated overseas and domestic price increases. The cost of conducting foreign affairs overseas continues to escalate with anticipated price increases in every aspect of the Department's operations including transportation, rent, communications, utilities and contractual services. Also included under this category are airfares, rental and services of our building space, and price increases as a result of the 1986 security supplemental for such items as the residential security program and the protection of foreign officials in the U. S.

Program Changes

Program changes account for a net increase of $92.5 million and 408 positions after deducting management initiatives intended to save $11.1 million and 201 positions. These program changes include the following components:

-- Savings of $11.1 million and 201 positions as part of the Administration's deficit reduction program through automation, realignment of work requirements and productivity improvements.

-- $2 million for additional Seabees required by The Office of Diplomatic Security to meet expanded workload for overseas construction, construction surveillance and other security related activities.

-- $10 million and 198 positions for strengthening political and economic reporting and analysis at key posts abroad.

-- $.8 million and 2 positions to support the Office of Micronesian Affairs.

-- $1.6 million and 34 positions to meet projected 5.3% increase in consular workload expected to occur in 1987.

-- $3.6 million and 114 positions for overseas administrative support in areas such as personnel, financial management and general services.

-- $26.6 million and 144 positions for development and support costs associated with the Department's worldwide information systems.

-- $2 million for enhancements to the Department's telecommunications systems.

-- $4 million to provide initial costs for a new permanent educational facility for the Foreign Service Institute.

-- $53.1 million and 117 positions for new requirements in 1987 resulting from the 1986 security supplemental.

The appropriation request before you carefully balances resource requirements with foreign policy objectives. With full regard to the stringent budgetary environment, we have made every effort to assure that sufficient resources are available for the United States to maintain its pre-eminent role in International Affairs.

Mr. Chairman, Roger Feldman, Comptroller of the Department, and Bob Lamb, Director of the Bureau of Diplomatic Security, are with me today to address our overall appropriation requirements. We will try to respond to any questions you and the members of the Committee may have.

HANDLING SEQUESTRATION

Mr. **Smith**. How would you handle the $62 million sequestration in Salaries and Expenses?

Mr. **Spiers**. We have handled it. Let me go over the major element of that savings.

Mr. **Smith**. Especially how much of it did we just postpone, how much is really eliminated?

Mr. **Spiers**. Well, let me go over it. As you know, the sequestration was 4.3 percent, which for us was a total of $119 million, $62 million of which had to come out of S&E.

Department hiring is going to be constrained for the balance of the year by first eliminating the April Foreign Service Officer class, therefore diminishing our annual intake of new Foreign Service Officers to 225. We are going to eliminate the April and August Foreign Service Secretary classes as well.

We are reducing the hiring of communications personnel by one-third.

We are dropping the April Administrative Specialist class and reducing other Foreign Service Specialist hirings by two-thirds. We are reducing Civil Service hirings planned by essentially one-half of the attrition.

We are going ahead with new Security hires planned for the balance of the year, but financing these hires from the 1985–86 security supplemental balances, and we are eliminating the Department's summer hire program.

In addition, we are curtailing substantially travel plans for Washington based officers. Total Bureau requests have been reduced by 20 percent.

Acquisition of furniture and furnishings has been cut by about 25 percent overseas, ten percent domestically. We are curtailing domestic travel costs. All of this adds up to $62.5 million

Mr. **Smith**. Now, cutting out the interns and——

Mr. **Spiers**. That is a one year savings.

KINDS OF SAVINGS

Mr. **Smith**. A couple of things, obviously those are permanent savings. But how much of the other is going to simply be postponing the expenditures?

Mr. **Spiers**. It depends on what happens in the future. If we cut down our intake of junior officers we will be paying for that in the future. Actually, we had looked at this 4.3 percent cut as an emergency action, something that we had to deal with on March 1 to get through the rest of the fiscal year. So that we took a lot of steps that we hoped would not be permanent. If we have to take permanent cuts, we are going to have to look at cutting our overseas establishment. It is by cutting overseas establishments that you begin to cut the requirements for personnel, for representational allowances, for communications for information handling systems, travel, transportation, and allowances. We have not done that this year except in connection with the seven posts mentioned this morning, which really was a response to cuts that had been made by OMB before we submitted the budget to the Congress. We have not cut additional positions as a result of this sequestration exercise because you never could save that kind of money in time in this manner.

Mr. SMITH. Are those seven consulates—I haven't looked at the list—are they the same as the ones that were added?

Mr. SPIERS. Trieste, Nice, Rotterdam, Sevilla, Salvador da Bahia, Bremen, Winnipeg.

Mr. SMITH. It is not identical?

Mr. SPIERS. Some of them were on the previous list. Bremen and Nice were.

Mr. FELDMAN. Bremen and Nice are the same, Mr. Chairman.

FURLOUGHS

Mr. SMITH. You didn't mention furloughs.

Mr. SPIERS. No, we have not done furloughs as part of the sequestration exercise.

Mr. SMITH. You don't see that you will have need to do that?

Mr. SPIERS. We are doing everything we can to avoid that, and we have been able to avoid it under these circumstances. The State Department you know is a day-to-day operation. If we furlough people, we almost have to furlough everybody.

REPROGRAMMINGS

Mr. SMITH. What about reprogrammings?

Mr. SPIERS. All of this really gets into reprogrammings.

Mr. FELDMAN. We anticipate several reprogramming items to be brought to your attention. We have forthcoming a letter on international organizations which is laboring its way through the clearances and legal process. Unfortunately, the legal interpretation of the term "program, project, and activities" under the Gramm-Rudman Act causes us to have to make significant reprogrammings.

For example, each international organization was designated as a program project activity. The amount of assessment for some of those organizations has been fully paid, so the amount sequestered must be shifted among the organizations. Some will have to take a larger cut, others no cut, others a lesser cut. So there will be a reprogramming letter for C10.

In the Foreign Buildings appropriation, the Program, Project and Activities were defined as each project. As you know, you can't reduce 4.3 percent of each project, so there will have to be some adjustments. In Salaries and Expenses, as Under Secretary Spiers described, we could not achieve 4.3 of our payroll account. That would have amounted to $21 million, and so we must take larger cuts in other areas and notify the Committee accordingly. These reprogrammings are all in development now. As I say, they should be before the committee shortly.

BUDGET PROPOSAL AND GRAMM-RUDMAN-HOLLINGS

Mr. SMITH. When were the figures in this budget finally arrived at?

Mr. SPIERS. Our 1987 proposal was arrived at before Gramm-Rudman-Hollings.

Mr. **Feldman**. Yes, sir. The budget was finalized before the Gramm-Rudman-Hollings Act.

Mr. **Smith**. In December?

Mr. **Feldman**. Yes, sir, early December, and afterwards the Gramm-Rudman-Hollings amendment for sequestration for 1986 was effected. That is why we had to re-do that budget. There are entries in 1986 to deduct sequestration, but in many respects it wasn't known at that time how the reductions would be distributed among various line items.

EXCHANGE RATES

Mr. **Smith**. What kind of an assumption did you use in preparing the budget for exchange rates or the change in exchange rates?

Mr. **Feldman**. The budget was prepared on the November 30 exchange rate point as the final adjustment. As you know, the dollar took a very significant decline in the last two weeks of September and has continued to decline.

Mr. **Smith**. How much decline has there been since November 30?

Mr. **Feldman**. Since November 30, I would estimate, Mr. Chairman, it is clearly in excess of $16 million. I think even more.

Mr. **Smith**. Is that correct, or not correct? You then did not assume there would be a further decline in the value of the dollar?

Mr. **Feldman**. That is correct, Mr. Chairman.

Mr. **Smith**. Do you have any estimate as to what that might amount to?

Mr. **Feldman**. On an annual basis?

Mr. **Smith**. Yes. On the balance, in 1987?

Mr. **Feldman**. In 1987, if the dollar holds at its present levels, I probably would put that number at about $25 million.

Mr. **Smith**. Now, as to the balance of 1986, in some of those accounts you simply get less. So you are going to reduce value received, that is the way it is going to work?

Mr. **Feldman**. It varies, Mr. Chairman. As you recall, this Committee provided, some years ago, the authority to use the buying power maintenance mechanism, the appropriation in which we deposited gains during the years that the dollar was strong derived from those OECD countries—there are 16 countries covered under that. The Congress provided this mechanism for us.

Mr. **Smith**. How much is in that fund?

Mr. **Feldman**. We had——

Mr. **Spiers**. Twenty-two million dollars.

Mr. **Feldman**. At the start of the year, we had $21,336,000. We have so far transferred out $16 million to cover declines and, as you know, the dollar has been declining even further.

Mr. **Smith**. That $21 million would have taken, more than taken you through 1986.

Mr. **Feldman**. Yes, sir. We think again it is very speculative as to what the dollar might do, but assuming, you know, kind of a soft fall here, that we could get through the balance of the year and perhaps even have some few millions available in that fund for 1987.

GENEVA PROJECT

Mr. **Smith**. Tell us more about Geneva. We have got a whole list of buildings there, and one of the many I have had questions about is the need for the one you have guests there for the Arms Control, trying to get that built.

Where would it be located in relation to our embassy?

Mr. **Dertadian**. Same site, collocated with the other building.

Mr. **Smith**. Why can't that kind of capacity be built into or used jointly with the embassy or something? Why do you have to have a whole separate deal to negotiate?

Mr. **Dertadian**. Essentially because we have so many people who are involved on the negotiating side of the arms talks. The current building is used for its basic missions as an office to the UN for conferences and other multilateral business.

Right now, our negotiating people are housed in a separate rented facility at another location. The intent is to move all of those people into a new building that is secured. We need the existing building for the embassy functions that are performed in that building.

Mr. **Smith**. Then what is this new building, is it to be on rented land again?

Mr. **Lamb**. No. It is going to be on the land that we own. I have never seen the Geneva site, but we apparently have enough room on the land that we own to build this annex right there. While it won't be actually joined to the existing building, it will be part of the same complex.

REDUCING THE NUMBER OF FOREIGN NATIONALS

Mr. **Smith**. What about the foreign nationals question?

Mr. **Spiers**. You mean the Soviet Union?

Mr. **Smith**. No, in overseas posts, reducing the number of foreign nationals?

Mr. **Spiers**. Well, I think those will be reduced as you close posts.

Mr. **Smith**. You are not proposing the reduction in number of foreign nationals?

Mr. **Spiers**. That is something we are looking at and it depends. The Secretary mentioned this morning this group that we brought together with ambassadors Charles Bray and Richard Viets, and the two ambassadors whom he brought back from Europe. They are looking at everything. We said nothing was to be spared.

Mr. **Smith**. Would that increase your costs if you replaced the foreign nationals?

Mr. **Spiers**. If we replaced them with Americans, yes.

Mr. **Smith**. You are talking about cutting them out?

Mr. **Spiers**. I am talking about cutting. One of the things that the Secretary has told me, and I fully agree, is that we really have to stop just making percentage cuts across the board. It just seems we are trying to cover the same ground, and we are just doing it less well. If we take cuts, we are going to have functions—the budget that we propose does not involve cutting any further positions. If there are cuts in that level, they are going to have to be in terms of cuts in posts.

POST CLOSINGS

Mr. **Smith**. Did you look on this consular question, did you look carefully at all of those seven consulates that are listed in separate line items and have you decided——

Mr. **Spiers**. Let me explain the process we went through when it became clear to us that we were going to think very seriously about making cuts. We asked our geographic bureaus to rank in order all of their consulates in high, medium and low order of political importance, importance in terms of political relationships with these countries.

Then we went to our consular people and asked them to do the same thing on the consular mode.

Then we looked intensively at all of the posts in the lower third in all three categories and those are the ones that we have been concentrating on. If we have to take further cuts in the budget, those will be—the seven that we have now decided to close—subject to no objection from the Congress. They are the seven that are absolutely the lowest in priority. And we have rank ordered another 40 or 50 of them in similar order.

Mr. **Smith**. Well, now, this gets to be political pretty fast but I was impressed in one instance three or four years ago, one of the reasons I have insisted on keeping these separate, we are contracting I think it is for $15,000 a year travel agencies, and I was told after it was over—I made an inquiry of independent people—that we are really getting all the service that they needed in that city cost us later $100,000.

Mr. **Spiers**. Our plan in all seven of these posts is to try to hire consular agents whom one could hire, I guess, for about an average of $20,000 a year and who would not be direct employees. They are generally American nationals who live in the area who can help with these problems.

The seven posts that we had decided to close and then were reversed by Congress, were Brisbane, Mandalay, Nice, Bremen, Turin, Salzburg, Goteborg. Brisbane was the only one we looked at this time and we decided not to close it because that is where the Australian Bicentennial Expo '88 is going to be held. But that would be higher on our priority for closure if we have to move beyond the seven.

Mandalay we never were able to reopen because the Burmese said we couldn't, so that is closed now. Nice and Bremen are both on the new list. Turin and Salzburg: we decided to close Trieste instead of Turin. Salzburg there was objection to closing because the Soviets have a big mission there, but that would also be one that would come, I think, in the next list.

Goteborg, the one on which I believe Senator Humphrey particularly intervened, is a one-man post. Closing that is just—the savings are negligable.

Mr. **Smith**. In the case of Brisbane, it would be handled from Sidney?

Mr. **Spiers**. Yes. That is a two hour flight and certainly while the fair, the exposition is going on, we would want to have somebody there.

Mr. **Smith**. What do we have in Brisbane? How many people do we have?

Mr. **Spiers**. We have one State Department person there, maybe a USIA person there as well.

Mr. **Dertadian**. One USIA person and two FSN's.

Mr. **Spiers**. Two FSN's.

Mr. **Smith**. So it is a small expenditure?

Mr. **Spiers**. The bigger savings don't come until you look at the bigger posts. That is also where the political problems come.

Mr. **Smith**. We have some additional questions which we shall submit to you and you can supply the answers for the record.

Mr. **Spiers**. Fine.

[The questions and answers submitted for the record follow:]

QUESTIONS FOR THE RECORD SUBMITTED BY MR. SMITH

New Diplomatic Security Program

Question:

1. Significant resources are requested to recruit, hire, and train additional security officers. How successful has the Department been in obtaining personnel in these specialties in prior years?

Answer:

In FY 1985, we recruited and hired 138 security officers; in the first half of FY 1986, we have hired 96. All these have attended, or are now attending, a five-month Basic Agent training course which we give in cooperation with the Federal Law Enforcement Training Center in Glynco, Georgia. We also provide additional in-service training prior to the officer's first overseas assignment. We plan to substantially strengthen training in the areas of area studies, language, computer and communications security, and management. We also see a need to update the training of security officers whose basic training was more than five years ago.

We believe the Diplomatic Security Service offers an attractive career, and we expect that, with sufficient attention to making the opportunities known, we will have enough well-qualified applicants to fill our needs.

New Diplomatic Security Program

Question:

2. I understand that the Department intends to establish basic security standards, procedures, and levels of protection for all posts regardless of location. Additional security will be established at more seriously threatened locations where warranted. What is the status of the Department's efforts in this area?

Answer:

Minimum physical security standards for all U.S. Diplomatic Posts overseas have been established by the Department of State. These standards include a 100 foot setback for our facilities from their perimeter; minimum requirements for construction of perimeter barriers; vehicle arrest devices at compound entrances; ballistic and forced entry materials for our public access control (PAC) systems; utilization of walk-thru metal detectors at building entrances; etc. Implementation of these requirements has been an ongoing program and is influenced by such factors as the threat level and availability of funding. In FY 1985 the Department of State received security supplemental funding which allowed for perimeter improvements at 152 posts. Procedural security standards based on threat levels are being drafted and it is expected that they will be published within 120 days.

New Diplomatic Security Program

Question:

3. To what extent will the individual posts determine what additional measures are needed and can the posts overrule Department standards?

Answer:

The Regional Security Officer is responsible for recommending additional security measures that may be needed at a post to meet specific security threats. Waivers from security standards and procedures are negotiated between the post and the Department.

Question:

4. Does the Department have the capability to monitor post compliance with security standards and procedures?

Answer:

Monitoring of post compliance is carried out by Inspector General inspections and the inspections of the Regional Security Offices conducted by the Diplomatic Security Service.

New Diplomatic Security Program

Question:

5. The FY 1985 security supplemental included $40.5 million to survey, recommend, and construct perimeter improvements at 70 posts. The FY 1986 supplemental includes an additional $135.8 million for perimeter improvements at 63 posts. What is the status of the perimeter improvement projects funded in FY 1985?

Answer:

During FY 1985 emergency and interim perimeter improvements were funded at 152 posts. Fifty-eight of them have undergone major perimeter upgrades. We expect to complete major projects at an additional eight posts before the end of this Fiscal Year.

In addition, perimeter surveys were conducted and 100% architectural drawings prepared for major projects at 17 other critical and high threat posts. Funds are required to complete these projects.

Question:

6. How many of the 63 perimeter improvements projects in the FY 1986 supplemental have been previously funded and why must these posts receive further perimeter improvements?

Answer:

Twenty-eight of the posts scheduled to receive major improvements have received emergency and interim improvements during FY 1985. Long term improvements are required to meet current security standards.

New Diplomatic Security Program

Question:

7. What security requirements have been added since 1985 to posts previously upgraded?

Answer:

Prior to 1985 the emphasis was placed on public access controls to protect the office buildings from mob attacks such as witnessed in Islamabad and Tehran. Since the tragic bombing of our Embassy in Beirut, the emphasis has been directed toward the strengthening of the perimeters of the office buildings and compounds to prevent car bomb attacks by terrorists.

Question:

8. What are the threat levels of the locations for which funds are requested?

Answer:

The levels range from low to high. In those instances where the level is in the low range, there are reasons to believe the political climate can change adversely. Further, in many instances, the buildings to be protected include the residences of the Chiefs of Missions and the U.S. Marine Security Guard Detachments. Both categories of personnel are potential terrorist targets.

Question:

9. Are the security improvements being planned and carried in the same order as the threat level? If not, why not?

Answer:

Yes. The improvements are being planned and will be carried out in the same order as the threat level.

New Diplomatic Security Program

Question:

10. In the FY 1985 security supplemental the Department requested and received funds for a variety of research efforts, including projects for an armored vehicle prototype and an embassy of the future. What is the status both in funding and stage of completion of each of these projects? Which of these projects are truly urgent for which the funds could be obligated immediately?

Answer:

Three areas of research are being conducted under the armored vehicle prototype program: two concern armoring material type and the third concerns optical clarity ballistics material. Phase one of the program, involving market research of armoring materials, will be completed in July. After the final market research reports are submitted phase two of the program, involving construction of the prototype vehicle, will commence. This phase will fully obligate remaining funds for the program during the summer.

Under the embassy of the future program, which is administered by the Office of Foreign Buildings, two National Academy of Science (NAS) study efforts were funded. The first involved an NAS building research board which submitted the bulk of its report to the Department in February. This material is currently being evaluated. The remainder of this report will be ready by June 1986. Many of the recommendations included in this report were incorporated into the planning effort for the FY 1986 Security Supplemental request. The second study area, evaluating the use of pre-assembled building components to construct facilities in high technical threat areas, such as Eastern Europe, is under way. All funds for these studies will be obligated by the end of FY 1986.

New Diplomatic Security Program

Question:

11. What is the rationale for having the Department of State assume all responsibility for residential security?

Answer:

The Department assumed the responsibility for the following reasons:

--The Advisory Panel on Overseas Security (Inman Commission) recommended that the security programs of the other principal foreign affairs agencies be consolidated as soon as practicable with the Diplomatic Security Service.

--The Department of State took the lead in developing a comprehensive residential security program which is acceptable to the foreign affairs agencies.

--The Chief of each Diplomatic Mission is responsible for the protection and welfare of the official American community in the country to which he is accredited. The administrative/security support functions in the country are under his direct supervision.

New Diplomatic Security Program

Question:

12. Do other departments and agencies with overseas responsibility concur fully with the plans and amounts requested for residential security?

Answer:

The Overseas Security Policy Group (OSPG) which is chaired by the Principal Deputy Assistant Secretary for Security and represented by senior officers of the major foreign affairs agencies, developed the common policy/plan for residential security which is applicable to the personnel of all foreign affairs agencies.

The amounts requested by the major foreign affairs agencies for the residential security of their personnel are included in the FY 1986 Security Supplemental before the Congress.

Question:

13. Does the fact that the request for residential security is in the State Department mean that no such amounts for this item are in the budgets of other agencies?

Answer:

The amounts required by the major foreign affairs agencies for residential security are included in the pending FY 1986 Security Supplemental request. Those agencies will look to the State Department to provide residential security protection at the same level provided State Department personnel.

New Diplomatic Security Program

Question:

14. What plans do you have to implement the new Diplomatic Security Service if it is authorized?

Answer:

The Diplomatic Security Service exists now; it is the professional security officer core of the Bureau of Diplomatic Security. We will work toward making it a more distinct entity which will offer its members the satisfaction of belonging to an organization with esprit-de-corps and high professional standards. We envision a service with highly selective entry standards, rigorous training, a code of conduct, clear career development paths, and a commitment to excellence of performance. We believe we are well started on this path. The current commitment of the Department and Congress to security measures provides the enabling motivation which makes those management goals achievable.

Question:

15. Will the new Service have equal status with the Foreign Service, and will the employees of the new Service have the same promotional opportunities as employees in the Foreign Service?

Answer:

The new Service will be a specialist category within the Foreign Service, and members of the Diplomatic Security Service will enjoy the same rights and privileges as do other specialists. Promotional opportunities will be determined by the same process and is used throughout the Foreign Service, i.e. the number of promotions is determined by the vacancies projected for the individual "cone".

Senior Foreign Service positions within the DSS will normally be filled from within.

New Diplomatic Security Program

Question:

16. The authorization bill for the Diplomatic Security Initiative, which was reported by the Foreign Affairs Committee last Thursday, includes a provision which enhances the authority of the Secretary of State to reduce the number of personnel at all agencies at overseas facilities. How would this authority be implemented, and what impact will it have on FY 1986 and FY 1987 budget requests for security?

Answer:

Title I, Section 103(b)(2) of H.R. 4151 provides that the Secretary of State shall "establish appropriate overseas staffing levels for all such posts or missions for all departments and agencies with activities abroad (except for persons and activities under the command of a U.S. area military commander)".

This authority will be implemented when, in the opinion of the Secretary, it is necessary to reduce the number of civilian personnel stationed at a mission or facility abroad for security or other reasons.

This provision clarifies responsibilities assigned to the Secretary by the President in his letters to Chiefs of Mission of September 23,. 1981 and makes explicit the responsibilities implicitly assigned to the Secretary by Section 207 of the Foreign Relations Act of 1980 (22 U.S.C. 3927).

This provision will not have an effect on the FY 1986 and FY 1987 budget requests for security.

New Diplomatic Security Program

Question:

17. You are requesting a total of $20 million and 71 positions in FY 1986 and FY 1987 to establish a countermeasures and counterintelligence program. What is the alleged need for this capability, and have you considered contracting with other agencies of the U.S. Government for this function?

Answer:

Rather than establishing new programs, the requested funds and positions are to enhance an ongoing program which has been in existence since the early 1980s. The counterintelligence and countermeasures efforts are designed to focus on the specialized targeting of our facilities and personnel and more precisely to detect and neutralize foreign intelligence activities directed against foreign affairs agencies. No other federal agency has the capabilities to address our specific counterintelligence and countermeasures needs on a worldwide basis. Our programs are conducted in close coordination with the CIA and FBI as well as other members of the intelligence community.

New Diplomatic Security Program

Question:

18. How does this item [the countermeasures and counterintelligence program] differ from the $30 million requested in the Counterterrorism Research and Development account?

Answer:

The requests in the FY 1986 Security Supplemental for the countermeasures and counterintelligence program, as well as for the Counterterrorism Research and Development Plan, are different yet complimentary efforts. The first program is specifically designed to improve the Department's ability to detect and deter technical penetrations of our diplomatic facilities and equipment by electronic and related means. In contrast, the Counterterrorism Research and Development Plan is an interagency effort coordinated by the Interdepartmental Group on Terrorism. This Plan is designed to support individual programs in the counterterrorism area which are currently not being funded by individual agencies or which are not specifically the primary responsibility of any single agency. They include a broad range of areas such as threat and technology assessment, defensive countermeasures, explosive ordnance disposal, and response to conventional, chemical/biological and nuclear incidents.

New Diplomatic Security Program

Question:

19. You are also requesting 252 additional positions and $14.2 million over the two-year period for protection of foreign dignitaries and missions in the U.S. How will this program differ from the Protection of Foreign Missions and Officials program which we have been funding for the last two years?

Answer:

The FY 86 supplemental and the FY 87 requests are for a total of 126 positions not 252 positions. Reprogramming would not be possible to accomodate this reduction since the funds are under a separate appropriation and not part of the Department's annual salaries and expenses appropriation.

Classified Communications

Question:

You are requesting a total of $65.8 million and 121 additional positions for additional communications capability in connection with the Diplomatic Security Initiative. About $44 million of this request is for protection of classified office equipment, shielded enclosure acceleration, and radio frequency shielding for FBO initiatives. How are these projects different from the security projects being funded in the FBO appropriation for the Diplomatic Security Initiative?

Answer:

The first two programs, protection of classified office equipment and shielded enclosure acceleration, are unrelated to the Capital Program included in the Foreign Buildings segment of the Diplomatic Security Initiative. The protection of classified office equipment program involves establishing controls over the movement of office equipment to and from Foreign Service Posts, and the shielded enclosure acceleration program funds new and replacement external enclosures for post communications centers in existing buildings. Both the Salaries and Expenses and the Foreign Buildings sections of the budget request include funds for different aspects of the radio frequency shielding program for FBO initiatives. The Salaries and Expenses segment funds the position and support costs for the personnel associated with this effort, and the Foreign Buildings segment includes funds for the physical construction costs associated with this effort.

Closing Consulates

Question:

The FY 1987 budget request reflects the closing of seven consulates. Where are these located, why were they selected, and how much will be saved?

Answer:

Since July 1985, the Department has undertaken a comprehensive study of constituent post operations. The seven small posts identified for closure, as subsequently notified to the Congress on March 5, 1986, are those considered to be of lowest priority in terms of U.S. interests and overseas operations, including political, economic, commercial and consular aspects thereof. The seven posts are: Bremen (Federal Republic of Germany), Nice (France), Rotterdam (The Netherlands), Salvador da Bahia (Brazil), Seville (Spain), Trieste (Italy), and Winnipeg (Canada). Closure of these seven posts will result in an annual savings of $4.032 million.

Question:

How will the workload of these posts be handled if they are closed?

Answer:

A consular agency will be established in each city where a consulate is to be closed. The consular agency will provide emergency services for American citizens and a limited range of other consular services. Visa issuance and other functions will be transferred to nearby posts or to the responsible embassy.

Management Improvements

Question:

1. The FY 1987 budget request reflects a planned reduction of 201 positions as part of the Deficit Reduction program. Do the 201 positions represent a reduction in force or a realignment to other activities?

Answer:

The reduction of 201 positions will be accomplished primarily by abolishing lower priority positions and reducing personnel intake accordingly, so as to reduce the size of our workforce. In addition, 35 foreign national positions will be abolished as a result of the closing of seven constituent posts.

Question:

2. If the 201 positions are being realigned to other activities, please provide a detailed breakdown of the $11,120,000 savings.

Answer:

The 201 positions are not being realigned.

Question:

3. As part of this planned reduction, the Department would eliminate 82 personnel specialists. What automation processes and realignment requirements are planned or already implemented to offset the loss of 82 positions?

Answer:

In the passback for the FY 1987 budget, OMB mandated a reduction of 78 FTE for efficiency savings in the Department's personnel operations. Over the past year the Department has studied how such reductions in its complement of personnelists might best be achieved without adverse impact on operations. Given the unique problems of administering three separate personnel systems (Civil Service, Foreign Service and Foreign Service National), we have analyzed what the appropriate ratio of personnelists to employees served should be. Potential productivity gains from eliminating redundancies and increasing operational efficiencies have also been identified. Departmental management is now considering and further refining specific implementation proposals in three basic categories:

-- Internal procedural and other operational efficiency improvements;

-- Savings and increased responsiveness through reorganization and elimination of redundancies;

-- Productivity gains from automation, i.e. computerization.

Prior to the commencement of the new fiscal year the Department intends to adopt a comprehensive plan of action to achieve the necessary FY 1987 reductions.

Question:

4. Last year the State Department budget projected "management initiatives" that would reduce costs by $20 million. How much in savings was actually realized?

Answer:

Included in the 1968 Management Savings package of $20 million, was $14 million for the 5% pay reduction. The Administration later rescinded this proposal and this amount was restored to our budget request. With this adjustment, the 1986 Management Savings included 68 positions and $6.2 million. These savings have been achieved through position grade reductions, administrative productivity improvements and efficiencies in personnel operations.

Question:

5. What administrative activities are being contracted out to the private sector to create productivity savings? For each activity contracted out to the private sector, please provide the rationale and the savings.

Answer:

Three A-76 studies are in process. Studies are being conducted of the unclassified pouch unit, the passport records unit and motor vehicle operations. These functions were selected because they are among the 14 services identified by OMB as contractible. Decisions on contracting out will be made after completion of the studies and comparison of in-house costs with commercial contract bids. It appears that savings will result from the studies themselves, if not also from contracting out. The amount of savings is not yet known.

Reporting and Analysis

Question:

You are requesting an increase of 198 positions for reporting and analysis. If this request is approved, will it complete the rebuilding in this area that was begun in FY 1984? If not, do you have a target date for completion, and how many additional positions will be required?

Answer:

We anticipate that if our FY 1987 request for 198 additional reporting and analysis positions is approved, our rebuilding effort will be completed. New R&A positions requested in the FY 1988 budget (and in future years) would be solely to meet new requirements.

Question:

Can you identify specific problems resulting from shortcomings in overseas reporting and analysis, and if so, how will these additional positions correct the difficulties?

Answer:

The Department of State provides more than half of the U.S. Government's security-intelligence reports, and about two-thirds in the area of internal politics of other countries and international relations. The demand for expanded reporting and analysis from all agencies, and for reporting to meet Congressionally-mandated requirements and less formal requests from the Congress continues to grow. Moreover, the Department must prepare to meet the foreign policy challenges of the 21st century, particularly in the realm of science and technology. The background and skills required for reporting and analysis take time to develop. They usually require the mastery of one or more foreign languages, an understanding of foreign cultures, and the ability to earn the confidence of foreign leaders. The threat of terrorist and other subversive activities against our overseas missions and friendly nations has also been a factor. The "Report of the Secretary of State's Advisory Panel on Overseas Security" addresses the threat against our overseas personnel, and recommends enhanced reporting and analysis capability to help thwart terrorist actions.

Question:

What is the projected cost to complete the rebuilding of the reporting and analysis function?

Answer:

The 198 positions requested in FY 1987 include 160 American positions, of which 104 would be overseas, and 38 Foreign Service National positions. The Department is requesting $10,000,000 in FY 1987 for salaries and expenses to complete the rebuilding of the reporting and analysis function.

Question:

How many officers currently assigned abroad for reporting and analysis are spending most of their time performing other duties?

Answer:

The Department of State does not maintain data that would yield a quantified answer. However, all officers assigned to reporting and analysis positions are expected to spend the majority of their time performing functions directly related to the requirements of those positions. Nevertheless, Foreign Service Officers in all four generalist "cones" (political, economic, administrative and consular) are expected to perform a variety of duties in the furtherance of United States interests abroad.

Question:

Please provide a ranker of the positions requested for the record.

Answer:

The requested ranker is attached. While positions within each bureau are listed in priority order, no comparative bureau-to-bureau priorities have been established within the five categories.

PRIORITY RANKING OF REPORTING AND ANALYSIS POSITIONS REQUESTED IN 1987

RANK #1

- Pol-Mil Affairs
  - STA Pol/Mil Off
  - SNP Pol/Mil Off

- Oceans, Environmental Affairs
  - NTS Off

- Economic & Business Affairs
  - EWT Off

- Intelligence & Research
  - PMA Research Asst
  - AA Analyst
  - PMA Pol Off
  - SEE
  - EC Analyst
  - GIT Analyst
  - WEA Pol Off

- African Affairs
  - Maputo Pol Off
  - Antananarivo Pol Off
  - Antananarivo Sec
  - Monrovia Econ Off
  - AF/S Pol Off
  - Lagos Econ Asst FSN
  - Lagos Pol Asst FSN

- Near East & S. Asian Affairs
  - Colombo Pol Off
  - Dhaka Pol Asst FSN

- E. Asian Affairs
  - Cebu Pol/Econ Off
  - Port Moresby Pol Off
  - Tokyo Sci Off
  - Beijing Sci Off
  - Hong Kong Sec
  - EAP/J Pol Off
  - Jakarta Sci Off
  - Europe-Based Pol Off

- Inter-American Affairs
  - Mexico Econ Off
  - Bridgetown Pol FSN
  - ARA/ECP Econ Off
  - La Paz Pol Off
  - ARA/CEN Sec

- European & Canadian Affairs
  - Moscow Pol Sec
  - Vatican Sec
  - Ankara Sec

RANK #2

- Pol-Mil Affairs
  - Crisis Mgt Office

- Oceans, Environmental Affairs
  - NTS Sec
  - ENR IROG

- Economic & Business Affairs
  - ITC/EWT/STC Sec
  - TDC/OT/STA Econ Off

- Intelligence & Research
  - PMA/NSD
  - IC/RD Reports Off
  - SEE Analyst
  - EX Analyst OS
  - NESA Pol Off
  - EX Comptr Pgrmr Anlyst

- African Affairs
  - Enugu Prin Off
  - Libreville Pol/Econ Off
  - Kampala Econ Off
  - Kinshasa Econ Off
  - Pretoria Pol Off
  - Nouakchoutt Sec
  - Pretoria Pol Off

- Near East & S. Asian Affairs
  - Dhahran Econ Asst FSN
  - Dubai Pol Sec

- E. Asian Affairs
  - Wellington Sec
  - Rangoon Sec
  - Kuala Lumpur Pol Off
  - PIA Pol Off
  - Seoul Pol Sec
  - Tokyo Econ FSN
  - Canberra Sec

- Inter-American Affairs
  - Bridgetown Pol FSN
  - Santiago Econ Off
  - Bridgetown Pol FSN
  - Lima Pol FSN
  - Tijuana Pol Off
  - Guatemala Econ FSN
  - Ciudad Juarez Pol Off

- European & Canadian Affairs
  - Palermo Pol/Econ Off
  - Madrid Pol/Mil Sec
  - Ottawa Legal Off
  - USNATO Pol/Mil Off
  - Seville Sec

RANK #3

- Pol-Mil Affairs
  - STN Sec
- Oceans, Environmental Affairs
  - ENR Sec
- Economic & Business Affairs
  - DCT Off
- Intelligence & Research
  - EC Econometrician
  - EX Analyst OS
  - EAP Pol Off OS
  - IRE Foto Interpreter
  - GE Cartographer
  - AA Pol/Econ Off OS
  - IAA Pol Off OS
- African Affairs
  - Yaounde Pol Off
  - Accra Econ Off
  - Johannesburg Econ Off
  - Johannesburg Pol Sec
  - Mbabane DCM Sec
  - E Desk Off
  - Pretoria Econ Sec
  - Dar Es Sal Pol Off
- Near East & S. Asian Affairs
  - Calcutta Pol Off
  - Colombo Sec
  - Algiers Econ Off
  - Sanaa Econ Off
  - Muscat Translator FSN
  - Tel Aviv Econ Off
  - Baghdad Sec
- E. Asian Affairs
  - Tokyo Econ Off
  - Sydney Pol Off
  - Kuala Lumpur Pol Sec
  - Guangzhou Econ Off
  - Bangkok Econ Off
  - Songkhla Sec
  - Surabaya Econ/Com Off
  - Kuala Lumpur Pol Sec
  - Manila Econ FSN
- Inter-American Affairs
  - Georgetown Econ FSN
  - Bridgetown Sec
  - Tegucigalpa Econ FSN
  - Curacao Pol Off
  - Paramaribo Econ Off
  - Bridgetown Pol Off
- European & Canadian Affairs
  - Strasbourg R/A Off
  - Paris Pol Off
  - Zagreb Pol/Econ Off
  - Sofia Pol/Econ Sec

RANK #4

Office of the Secretary
- S/IL Labor Off

Oceans, Environmental Affairs
- ENH Tech Asst

Economic & Business Affairs
- TCA Off

Intelligence & Research
- RCRS Rpt Off
- WEA Pol Off
- NESA
- PMA/SFA
- NESA Pol/Mil Off
- EAP Pol Off

African Affairs
- Ouagadougou Sec
- Dar El Sal DCM Sec
- Maputo Econ Off
- Gaborone Econ/Comm Off
- Cotonou Pos Asst FSN
- Djibouti Pol Asst FSN
- Abidjan Econ/Comm Sec

Near East & S. Asian Affairs
- Manama Sec
- Calcutta Sec FSN
- Algiers Econ Asst FSN
- Islamabad Sec
- Baghdad Pol Asst FSN

E. Asian Affairs
- Singapore Pol Off
- Rangoon Pol Off
- Beijing Pol/Mil Off
- EAP/J Sec
- K Sec
- Jakarta Sec FSN
- Shenyang Pol Off

Inter-American Affairs
- Paramaribo Pol Asst FSN
- Lima Econ Off
- ECP Off
- La Paz Econ Off
- Asuncion Econ Off
- Buenos Aires Econ FSN
- Antigua Pol Asst FSN
- Tegucigalpa Pol/Mil Off
- San Jose Econ FSN

European & Canadian Affairs
- Hague Pol/Labor Off
- Moscow Econ Sec
- Izmir Econ Off
- Moscow Pol Off
- Ankara Pol Off
- Budapest Sec

RANK #5

Pol-Mil Affairs
- R&A Off
- Pol Off

Intelligence & Research
- GI Sec
- EC Pol/Econ Off
- WEA Pol Off
- EAP Sec
- PMA Pol Off
- SFA Analyst

African Affairs
- N'Djamena Sec
- Freetown Sec
- Djibouti Sec
- Lilongwe Sec
- Maputo Sec
- Brazzaville Sec
- Dar Es Sal Pol Asst FSN

Near East & S. Asian Affairs
- Manama Pol/Mil Asst FSN
- Islamabad Pol Asst FSN

E. Asian Affairs
- Seoul Econ Sec
- Manila Sec
- Tokyo Sec
- Suva Sec FSN
- EAP/TB Sec

Inter-American Affairs
- ARA/AND Econ Off
- Bridgetown Pol Off
- Sto Domingo Pol Asst FSN
- ARA/SC Econ Off
- Rio Pol Asst FSN

European & Canadian Affairs
- Paris Pol Asst FSN
- USOECD Sec
- Strasbourg Sec FSN
- Warsaw Econ Asst FSN
- Belgrade Sci Asst FSN
- Helsinki Sec
- Porto Allegre Econ/Com FSN
- Lisbon Pol/Lab Asst FSN
- Brussels Pol Asst FSN

Overseas Administrative Support

Question:

The FY 1987 budget request includes an increase of 114 new overseas positions for administrative support. On January 31, 1986 the Department announced plans to implement a pilot program to establish employment opportunities for dependents of Foreign Service officers stationed abroad. Are any of these positions requested being considered for dependents of Foreign Service officers? If not, why not?

Answer:

The request for additional administrative support positions was based on current workload requirements and includes 32 positions to be filled by Americans and 82 positions to be filled by foreign nationals. While the request did not specifically address the issue of Foreign Service dependents filling the positions, it has always been the Department's policy to accomodate tandem Foreign Service couples in filling administrative support positions at posts where needed.

Question:

How was the analysis of quantified workload data and staffing trends at the Department's overseas posts conducted?

Answer:

The data used to analyze overseas administrative workload and staffing is that reported annually by posts under the Foreign Affairs Administrative Support (FAAS) system. The FAAS system operates in 124 countries where the Department provides substantial administrative support services to other agencies. It generates workload and staffing reports used to determine the distribution of administrative service costs among the supported agencies. Included in the reports are the workload data generated by each agency at the mission upon the American and foreign national staff of the administrative section.

The data base for the administrative package was developed by computerizing each country's workload and staffing reports for the years 1980 through 1985. Each request for new administrative positions was analyzed based on this data and the following factors:

-- Trends in the administrative staffing from 1980 to 1985;

-- Workload increases or decreases in the specific administrative section of the post (e.g., Budget, Personnel, General Services) for which the new position is being requested; and

-- Trends in the level of State's program staff in the country compared with that of other agencies.

Question:

If the Secretary of State receives expanded authority to reduce the size of other agencies' complements at overseas posts and then proceeds to exercise that authority, could this request be reduced?

Answer:

The request for administrative support positions represents the additional positions needed for the Department to maintain adequate levels of administrative support services to its own overseas programs as well as those of other agencies. To the extent that new postions are required to meet the workload driven solely by other agencies, the request could be reduced. This would depend largely on the size of the reduction in the other agencies' overseas presence.

Question:

Please provide a ranking of the positions requested for the record.

Answer:

Attached is a ranking of the positions requested.

OVERSEAS ADMINISTRATIVE SUPPORT PACKAGE - FY 1987

Priority Ranking by Regional Bureau
($ in thousands)

The following rankings are based upon the stated priorities of the regional bureaus and upon our analysis of the degree to which the administrative staffs at each post are able to keep pace with workload increases or decreases.

Bureau of African Affairs

		Pos.
Central African Rep.	Am - General Services Officer	1
Chad	FSN - Accounting Technician	1
Djibouti	Am - General Services Officer	1
Gabon	Am - General Services Officer	1
Kenya, Mombasa	FSN - Class "B" Cashier	1
Kenya	Am - Budget and Fiscal Officer	1
Madagascar Republic	Am - General Services Officer	1
*Niger	Am - Administrative Secretary	1
S. Africa, Johan.	Am - Administrative Officer	1
S. Africa, Pretoria	FSN - General Services Clerk	1
Tanzania	Am - Building Services Officer	1
*Zimbabwe	Am - Administrative Secretary	1
*Benin	FSN - Supr General Svcs.Asst.	1
**Botswana	FSN - Mail Clk/Dupl Equip Opr	-0-
*Burundi	FSN - G.S. Asst (Maint Opr)	1
*Burundi	FSN - Adm Asst (Property Mgt)	1
*Cape Verde	FSN - Budget and Fiscal Analyst	1
*Chad	FSN - Maintenance Supervisor	1
*Chad	FSN - Admin. Receptionist	1
*Chad	FSN - Purchasing Agent	1
*Chad	FSN - Procurement Clerk	1
*Equatorial Guinea	FSN - Receptionist/Tele. Opr	1
**Equatorial Guinea	FSN - Driver/Messenger	-0-
Mauritania	TCN - Budget and Fiscal Supr	1
*Uganda	FSN - Personnel Clerk	1
*Uganda	FSN - Administrative Secretary	1
*Zambia	FSN - Motor Pool Assistant	1
*Benin	FSN - Administrative Clk/Typist	1
*Chad	FSN - Customs Expeditor	1
*Chad	FSN - Storekeeper (NXP)	1
Malawi	FSN - Administrative Secretary	1
Mozambique	FSN - Pers. Asst/Travel Clk	1
Mozambique	FSN - GS Asst-Procure & Supply	1
Senegal	FSN - Account. Technician-Req.	1
Uganda	FSN - Voucher Examiner	1
*Zambia	FSN - General Services Secty.	1
*Zimbabwe	FSN - Customs Shipping Clerk	1
Sub-Total, African Affairs...........................		35

* Denotes contract conversion.
** Denotes contract employee.

Bureau of Inter-American Affairs

		Pos.
Bahamas	FSN - Procurement Clerk	1
Costa Rica	Am - Asst. Admin. Officer	1
Honduras	FSN - Warehouseman	1
El Salvador	FSN - Warehouse Supervisor	1
Honduras	FSN - Payroll Liaison Clerk	1
*Panama	FSN - Warehouse Supervisor	1
Surinam	Am - General Services Officer	1
Surinam	FSN - Secretary	1
Bahamas	FSN - Voucher Clerk	1
Dominican Republic	Am - Secretary	1
Dominican Republic	Am - Administrative Officer	1
Ecuador	FSN - Maintenance Supervisor	1
Honduras	FSN - Warehouse Supervisor	1
Martinique	Am - Administrative Officer	1
Sub-Total, Inter-American Affairs......................		14

Bureau of East Asian and Pacific Affairs

		Pos.
*Brunei	FSN - Communications Assistant	1
China, Shanghai	Am - Administrative Secretary	1
Japan, Osaka-Kobe	FSN - Admin. Clerk/Receptionist	1
Papua New Guinea	Am - G.S.O. Communicator	1
*Fiji	FSN - Administrative Secretary	1
Papua New Guinea	FSN - Maintenance Worker	1
Philippines	Am - Administrative Secretary	1
*Thailand, Songkhla	FSN - Communications Assistant	1
Thailand, Udorn	Am - Admin Assistant/Secretary	1
**Australia	FSN - Electrician	-0-
*Brunei	FSN - General Services Clerk	1
*Fiji	FSN - Supply & Procurement Asst.	1
*Indonesia	Am - Administrative Secretary	1
*Philippines	Am - Asst Property Maint Off.	1
*Thailand	FSN - Telephone Technicians	1
Sub-Total, East Asian and Pacific Affairs............		14

* Denotes contract conversion.
** Denotes contract employee.

Bureau of European and Canadian Affairs

		Pos.
Belgium	FSN - Work Order Clerk	1
Bulgaria	Am - Nurse	1
Canada, Vancouver	Am - Administrative Officer	1
Cyprus	Am - General Services Officer	1
Denmark	FSN - General Services Asst.	1
Finland	FSN - Acctg. Tech/Voucher Exam	1
Germany, Bonn	FSN - Elec Control Sys. Engin	1
Italy	Am - General Services Officer	1
Malta	FSN - Administrative Assistant	1
Netherlands	FSN - Personnel Asst. (Travel)	1
Norway	FSN - Budget & Fiscal Asst.	1
Sweden	FSN - Budget & Fiscal Assistant	1
Turkey, Ankara	FSN - Acctg Tech/Voucher Exam	1
U.K., Belfast	FSN - Receptionist	1
**United Kingdom	FSN - Art & Graphics Spec.	-0-
Yugoslavia	FSN - Voucher Examiner	1
Belgium, USNATO	Am - Administrative Spec.	1
Belgium	FSN - Property Control Clerk	1
Belgium	FSN - Shipment/Customs Asst.	1
Czechoslovakia	Am - Secretary	1
Germany, Bonn	FSN - Work Order/Inv. Clk	1
Luxembourg	FSN - General Services Asst.	1
Portugal	FSN - Maintenance Inspector	1
Vatican	FSN - Administrative Asst.	1
United Kingdom	FSN - Dispatcher	1
Belgium, USNATO	Am - Telephone Operator	1
Denmark	FSN - Supply/Proc. Agent	1
**Germany	Am - Nurse	-0-
Finland	FSN - Maintenance Inspector	1
Norway	FSN - Supply/Proc. Agent	1
Portugal	FSN - Procurement Assistant	1
Sweden	FSN - Budget and Fiscal Asst	1
Turkey, Ankara	Am - Secretary	1
United Kingdom	FSN - Procurement Assistant	1

Sub-Total, European and Canadian Affairs.............. 32

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* Denotes contract conversion.
** Denotes contract employee.

Bureau of Near Eastern and South Asian Affairs

		Pos.
Afghanistan	Am - Building Maintenance Off.	1
Algeria	Am - Budget and Fiscal Officer	1
*Iraq	FSN - Receptionist	1
*Iraq	FSN - Mail Clerk	1
Iraq	FSN - Travel Clerk	1
*Jordan	FSN - Financial Clerk	1
*Jordan	FSN - General Services Asst.	1
Pakistan	Am - Administrative Secretary	1
**Pakistan	FSN - Reproduction Clerk	-0-
*Sri Lanka	FSN - Mailroom Clerk	1
U.A.E., Abu Dhabi	FSN - Travel Clerk	1
U.A.E., Dubai	Am - Administrative Officer	1
U.A.E., Dubai	FSN - Driver	1
*Yemen, Sanaa	FSN - Warehouse Foreman	1
*Yemen, Sanaa	FSN - Supply Clerk	1
*Yemen, Sanaa	FSN - Supply Clerk	1
*Pakistan	FSN - Telephone Operator	1
*Pakistan	FSN - General Svcs. Secretary	1
Pakistan, Karachi	FSN - Purchasing Agent	1
Pakistan, Karachi	FSN - Shipping Clerk	1
Sub-Total, Near Eastern and South Asian Affairs.......		19
Grand Total..		114

* Denotes contract conversion.
** Denotes contract employee.

Communications Programs

Question:

The FY 1987 budget request includes $261.3 million to fund a number of communications programs requiring 1,769 positions. Can you be more specific on the use of the requested funds with respect to personnel costs, development of new communications programs, and equipment acquisition and enhancement?

Answer:

The 1987 budget request for Communications Programs of 1,769 positions and $261.3 million includes $62.6 million for American Salaries and Post Assignment Travel. This request which includes a net increase of $2.0 million over 1986 will enable the Department to meet it communications related goals which are to:

-- Design and implement a Communications network architecture with adequate capacity and versatility to satisfy requirements of user agencies within the Foreign Affairs Community;

-- Expand the Department's contingency communications equipment inventory to include adequate levels of secure record, data, voice and video-teleconferencing systems;

-- Modernize and enhance communications capabilities at all foreign service posts, to include voice, record, and data communications; and

-- Improve pouch and mail services to overseas posts.

The $2.0 million increase is for the continuation of the Non-Government Owned Circuity program (Phase I) and will allow for the lease of an additional 10 circuits per year. The 1986 base for this program is $4 million, initially funded in 1985.

Equipment acquisition in the Department's 1987 communications programs will continue at approximately the FY 1986 level.

Question:

How are the projects different from projects being funded in the regular FBO appropriation request for FY 1987?

Answer:

The Office of Communications request includes funds for procurement and installation of communications terminal equipment which is installed in Post Communication Centers (PCC) overseas. The FBO request differs in that FBO projects provide for the construction or lease of buildings that house the PCC.

Question:

Please provide a ranking of projects for the record.

Answer:

The Department's FY 1987 Budget request reflects a program increase of $2 million and the remaining resources is the FY 1986 base program level. Therefore, the first priority is to maintain the FY 1986 operating level and then to increase the Non-Government Owned Circuitry program.

Information Systems

Question:

1. The FY 1987 budget request includes a requested increase of $26,570,000 and 144 positions for Information Systems. A portion of this increase is for the Regional Administrative Management Centers (RAMC). Wasn't part of the original justification for establishing 20 of these center's worldwide that the staffing would be reduced and that in fact a net overall reduction in staff would result because of automation?

Answer:

The staffing at the FMC's is expected to increase through reprogramming of positions within the Department as workload is redistributed. In general, the staffing in the financial aspects of RAMC operations is expected to decrease over time, as distributed systems are made available through programs such as FMS, for accounting and disbursing. With the impact of new financial systems for American payrolling (CAPPS) and Foreign Service National Payrolling a realistic view is that gradual rather than dramatic changes in RAMC financial workload will occur over a period of the next few years. It was decided that decreases in positions dedicated to financial activities would thus be done through attrition, rather than through RIFs.

The only increase requested for RAMC positions is for RAMC Mexico because of the transfer of disbursing functions to the Department of State from The U.S. Treasury. A total of fourteen (14) positions will be transferred to service the financial needs of Latin American posts from RAMC Mexico and the three FMC operations in that area.

Another aspect of RAMC operations, regional support for the Department's overseas automation program, will also require continued support for the 75 minicomputers and approximately 300 office type word processing machines now installed at our overseas posts. This ongoing support is essential because these posts increasingly rely on these systems for their financial, consular and general administrative workload. In addition, RAMC's are playing a more significant role providing systems training for personnel at posts in the RAMC serviced area.

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Information Systems

Question:

2. Part of this request is for $1,842,000 and 109 American positions for the Information Systems program -- about $17,000 each. The average American salary in the Department is about $42,000. Why the vast difference?

Answer:

The costs for American salaries are based on an estimated 60% lapse in salary for new staff. Since new positions would be filled at different times during the year, staff would not receive a full year's salary in the first year..

Information Systems

Question:

3. Please provide a ranking of the positions for the record.

Answer:

The ranking of new Information Systems positions is presented by program priority as follows:

Program		No. of Positions
Foreign Affairs Information System (FAIS)		25
FAIS Implementation		
Overseas Mini-Computer Program		
American Systems Managers	(28)	
FSN Systems Support	(14)	
Subtotal		42
Western Hemisphere Disbursing Function		14
Systems Maintenance & Enhancement		
Central Information Systems Office	(33)	
Information Systems Policy Staff	3	
Foreign Affairs Data Processing Center	15	
Systems Design & Programming	13	
User Support Services	2	
Information Handling System	(2)	
Financial Management System	(6)	
Regional Bureau Information Systems Support	(2)	
Subtotal		43
FSN Systems Support		14
Office Information Systems		
Central Information Systems Office		
Foreign Affairs Data Processing Center	(2)	
Systems Design & Programming	(2)	
User Support Services	(2)	
Subtotal		6
TOTAL		144

Professional Training and Development

Question:

You are requesting an increase of $4 million for professional training and development. I understand that this increase will provide funds for an expanded master plan for a site at Arlington Hall Station, which is authorized to be transferred to the State Department for use as a training center. Has the site been transferred to the Department?

Answer:

The $4 million is to finance architectural and engineering design and development of buildings to be constructed for the new facility, as well as supervision fees for GSA. Transfer of 72 acres of Arlington Hall Station from the Army to the Department of State was authorized by PL 99-167 of December 3, 1985. The transfer is to become effective upon the relocation of current U.S. Army occupants to other quarters. We expect this will take place in the summer of 1988.

Question:

Will the move to the Arlington Hall facility require the construction of new buildings or can the existing buildings be renovated?

Answer:

The move will require the demolition of existing structures and construction of new buildings. The existing structures do not meet building codes (e.g., they contain asbestos and PCBs) and have been allowed to deteriorate badly over the years. The cost of repairing existing structures and bringing them up to codes for the area would be as much, or more than constructing new facilities. Existing utility systems are costly and inefficient.

Professional Training and Development

Question:

In the program change section of the budget justifications, you state that the Department needs $32,552,000 and 393 positions for professional development (FSI). Please explain the relationship between the regular FSI budget request and the program change for professional development.

Answer:

The Professional Training and Development Program includes all costs associated with this function. The largest component of the program is the Foreign Service Institute (FSI), of which the budgeted totals of $16,589,000 and 390 positions are included. The American salary costs for FSI, which are not shown in the FSI portion of the budget, are by far the largest non-FSI part of the program's expenses. In addition, small amounts for professional training and development costs of other bureaus are included.

The only program change for professional training and development is the $4,000,000 required for the new FSI site.

Post Assignment Travel

Question:

Last year GAO reported some serious deficiencies with respect to travel within the Department of State. Employees were permitted to use ships for change of station moves -- a practice which was far more costly that traveling by air. Also, GAO noted problems in travel management including lack of controls, large delinquency rates and balances. Has the State Department changed its policy of allowing ship travel?

Answer:

In early 1985, as a result of a review of travel regulations and policies, the Department's Management Council initiated changes in the travel regulations concerning ship travel. The revised regulations limit the reimbursable cost of travel to the authorized air fare. In addition, any excess travel time will be charged to annual leave.

Question:

What action has the Department taken to improve travel advance management?

Answer:

The Department has undertaken several actions designed to improve travel advance management. A new accounting procedure was implemeted in 1985 which will be instrumental in stabilizing the historical data base of outstanding travel advances. The Department is in the process of initiating a contractor effort to reconcile account balances, to research account discrepancies, and to further accelerate an aggressive collection effort to recover funds owed to the Department. Efforts are being made to secure additional personnel resources for the Travel Advance Section. Additionally, actions are under way to consider limiting travel advances to 95% of the estimated reimbursable cost, a simplified travel voucher system is being explored, as is a charge card system for frequent travelers.

Post Assignment Travel

Question:

The FY 1987 budget request includes $66,540,000 for post assignment travel. Does this amount reflect the new policy being considered for replacing the two-year duty assignment except at hardship posts with a three-year tour of duty?

Answer:

The three-year tour of duty policy is currently under negotiation between the Department and the American Foreign Service Association (AFSA). The budget request for post assignment travel was developed before Management Council review of the three-year tour policy. However, if the tour of duty is implemented during the FY 1987 transfer cycle, post assignment travel savings would not be realized until FY 1988.

Question:

The budget justifications include an estimate of $18,000 per position for post assignment travel. What is included in that amount?

Answer:

The average cost of $18,000 per position is for travel, transportation and other related requirements connected with assignment and transfer of the Department's American full-time employees and their dependents. Major items that are funded include: airfare, shipping excess baggage, per diem, ocean and air freight, packing and unpacking, hauling and storage.

Authorization for FY 1987

Question:

Does the Department of State require authorization legislation for FY 1987, and if so, how much and for what program?

Answer:

The Department of State has requested authorization for the Overseas Diplomatic Security Program. For 1987 the Department has requested authorization of $1.4 billion for this purpose.

Question:

What is the status of authorizing legislation for FY 1987?

Answer:

On March 18, 1986 the House passed the authorization for the Overseas Diplomatic Security Program. The bill is now awaiting action by the Senate.

GPO Commercial Procurement

Question:

We are aware that the Public Printer at the Government Printing Office has certain initiatives to encourage Federal agencies to take maximum advantage of GPO commercial procurement contracts. Also, the new GPO electronic publishing procurements are now saving very substantial tax dollars. We would like to know what plans you may have to increase your reliance on GPO commercial procurements for both printing and electronic publishing.

Answer:

From FY 1984 to FY 1985 contract typesetting and printing through GPO contracts increased by 64%. At present the dollar volume of business through GPO is three and one-half times that provided by in-house facilities. Most of the Department's major publications are currently typeset using the electronic facilities of GPO. This represents a substantial commitment in the use of these cost-saving facilities. The Department plans to continue using GPO resources; however, as budgets are reduced, there will be fewer expenditures made for these types of activities.

Impact of Potential Budget Reductions

Question:

What would be the impact on the activities of the Department if you received the same amount for FY 1987 that was appropriated for FY 1986 before sequestration with no other adjustments for uncontrollable items?

If the Department received the same amounts in FY 1987 that it received in FY 1986 after sequestration, what would be the impact on the Department's activities?

Answer:

We believe that such a freeze, whether at pre or post sequestration levels, would be very disastrous, particularly for our Salaries and Expenses appropriation and would have a serious impact upon the Department's ongoing operations and ability to conduct foreign relations.

In a very real sense, the crippling of our operations in such a manner would call into question this country's ability to be a power in foreign affairs and might cause our allies and adversaries to doubt our credibility and resolve in maintaining our international commitments.

The Department, in view of anticipated fiscal uncertainties, has already started to reduce our overseas presence by closing seven consulates and we are examining the possibility of eliminating an additional forty posts. In addition to these retrenchments, such a freeze would force us to make reductions to our top operating priorities of improving our reporting and analysis capabilities and upgrading our communications and information processing systems. These actions would result in the United States falling even further behind our adversaries at a time when increased efforts are called for.

In FY 1986, we have already had to a) constrain hiring below planned levels; b) reduce travel and overseas support costs; and c) stretch out the implementation schedules for important information, financial management, communications, and consular systems projects.

For the other appropriations we have had to reduce our contributions to the various international organizations and commissions including the UN and NATO, and delay construction projects and required maintenance on existing properties funded in the FBO account

In addition to these cutbacks, the Department is facing additional projected exchange rate losses of $20 million, unbudgeted inflation of $50 million and $56 million for annualization of 1986 requirements, including security needs.

In real terms, what might initially be viewed as a freeze, in reality means a reduction of almost 15% for the S&E appropriation or a deficit of approximately $210 million.

This situation should not be allowed to occur because the consequences of not being able to carry out the Administration's foreign policy objectives are unacceptable.

Impact of Potential Budget Reductions

Question:

What would be the impact on the Department if you were forced to make a percentage reduction in the range of 8.4% below the FY 1986 amount, adjusted for sequestration?

Answer

A cut of this magnitude would reduce the Department's budget by almost $200 million below the 1986 level adjusted for sequestration. This reduction, in addition to the impact identified in the previous answer, is exacerbated by exchange rate deficits of over $12 million in the Contribution to International Organizations account. Reductions of this magnitude, on top of already identified shortfalls, would result in a deficit of almost $425 million or close to 20% below ongoing requirements.

A 20% reduction reduction in funding would almost certainly cause us to curtail all but the most critical and essential operations. This deep of cut would force the government to ask itself whether or not the U.S. will abandon its international leadership position, reduce our overseas profile and give up credibility in international organizations.

For example, there would be wide spread reductions in personnel devoted to our core reporting and administrative support functions which would mean very deep cuts to the Department of State's presence abroad in terms of additional post closings (beyond those all ready discussed in the earlier question) and firing a significant number of personnel. In addition, we would be forced to significantly reduce our legally mandated consular and passport functions which would bring considerable hardships to the traveling public and impede the flow of legal immigration to the United States. We would not be able to keep up with urgent maintenance and repair requirements and leasehold payments for our worldwide real property program. And, we would go further into arrears in our contributions to international organizations and commissions.

This cut would be so serious that President's capability to carry out U.S. foreign policy would be damaged beyond repair and could compromise our national security.

THURSDAY, MARCH 13, 1986.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

WITNESS

ALAN L. KEYES, ASSISTANT SECRETARY OF STATE FOR INTERNATIONAL ORGANIZATION AFFAIRS

Mr. SMITH. This afternoon we will consider the budget request for the three appropriations items under International Organizations and Conferences for the Department of State. Those include Contributions to International Organizations, Contributions for International Peacekeeping, and International Conferences and Contingencies. The request totals $493,221,000. That is an increase of $16,419,000 above the appropriations for fiscal year 1986 adjusted for sequestration. We will insert the justification material submitted in support of the request in the record at this point.

[The justifications follow:]

Contributions to International Organizations

Balanced Budget and Emergency Deficit Control Act of 1985

($000 in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$463,000	-$19,909	$443,091

-PROGRAM, PROJECT, ACTIVITY DETAIL-

Appropriation	1986 Appropriation	1986 Sequester	1986 Revised
United Nations and Affiliated Agencies			
Food and Agriculture Organization	$36,760	-$1,581	$35,179
International Atomic Energy Agency	19,503	-839	18,664
International Civil Aviation Organization	7,606	-327	7,279
International Labor Organization	31,606	-1,359	30,247
Intergovernmental Maritime Consultative Organization	507	-22	485
International Telecommunications Union	3,302	-142	3,160
United Nations	180,901	-7,779	173,122
United Nations Industrial Development Organization			
Universal Postal Union	556	-24	532
World Health Organization	61,146	-2,629	58,517
World Intellectual Property Organization	497	-21	476
World Meteorological Organization	4,712	-203	4,509
Inter-American Organizations			
Inter-American Indian Institute	104	-4	100
Inter-American Institute for Cooperation on Agriculture	9,639	-414	9,225
Organization of American States	31,072	-1,336	29,736
Pan American Health Organization	26,138	-1,124	25,014
Pan American Institute of Geography & History	322	-14	308
Pan American Railway Congress Association	25	-1	24
Regional Organizations			
Colombo Plan Council for Tech. Cooperation	9	-1	8
North Atlantic Assembly	380	-16	364
North Atlantic Treaty Organization	17,707	-761	16,946
Org. for Econ. Cooperation & Development	21,403	-920	20,483
South Pacific Commission	469	-20	449
Other International Organizations			
Bureau of International Expositions	16	-1	15
Customs Cooperation Council	1,476	-63	1,413
General Agreement on Tariffs and Trade	4,042	-174	3,868
Hague Conference on Private Int'l Law	40	-2	38
Int'l Agency for Research on Cancer	631	-27	604

Appropriation	1986 Appropriation	1986 Sequester	1986 Revised
Int'l Bureau of the Permanent Court of Arbitration	7	-1	$6
International Bureau of the Publication of Customs Tariffs	42	-2	40
Int'l Bureau of Weights and Measures	361	-16	345
Int'l Center for Study of Preservation and Restoration of Cultural Property	334	-14	320
International Coffee Organization	553	-24	529
International Cotton Advisory Committee	123	-5	118
International Hydrographic Organization	50	-2	48
International Institute for Unification of Private Law	55	-2	53
International Lead and Zinc Study Group	24	-1	23
International Natural Rubber Organization	161	-7	154
International Office for Epizootics	45	-2	43
International Organization for Legal Metrolo	53	-2	51
International Rubber Study Group	40	-2	38
International Seed Testing Association	4	0	4
Interparliamentary Union	345	-15	330
Maintenance of Certain Lights in the Red Sea	21	-1	20
World Tourism Organization	213	-9	204
Subtotal	463,000	-19,909	443,091
401(C) Authority - Offsetting Collection	3,886	-167	3,719
Total	$466,886	-$20,076	$446,810

The information presented above represents the Program, Project or Activities (PPA) and amounts for this appropriation identified in the Presidential order issued February 1, 1986. The amounts reflect the application of the 4.3% reduction to each affected PPA without regard to the current status of funds for specific PPA's. In some instances, funds may have been previously obligated and/or disbursed. In these situations, appropriate action will be taken to assure that adequate funds are available when the President's order becomes effective on March 1.

In the document that follows, the 1986 column reflects amounts appropriated by Congress. The effects of the 1985 Deficit Reduction Act were not received in time to be incorporated within individual budget units.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Federal Funds

General and special funds:

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties, conventions, or specific Acts of Congress, [$463,000,000: *Provided*, That none of the funds appropriated in this paragraph shall be available for a United States contribution to an international organization for the United States share of interest costs made known to the United States Government by such organization for loans incurred on or after October 1, 1984, through external borrowings] *$432,930,000. (Department of State Appropriation Act, 1986.)*

Contributions to Int'l Organizations

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
--	487,686	--	$463,000	--	$432,930	--	-$30,070

I. Summary

This appropriation provides the United States share of the costs of those international organizations of which it is a member by treaties, conventions or specific Acts of Congress.

The United States objectives for membership are to:

- Reclaim the U.S. position of influence and leadership in the UN.
- Renew the foundations of the UN System through institutional and structural reform.
- Ensure that the operational programs and activities of international organizations achieve purposes beneficial to U.S. and global interests in the most productive and cost-effective manner.
- Achieve more proportionate influence for the major financial contributors to the UN System.

II. Current Programs

Numbers provided for the fiscal years 1985 and 1986 reflect our best estimates of current United States requirements to the United Nations, nine of its specialized agencies and the International Atomic Energy Agency, six Inter-American Organizations, five Regional Organizations and twenty-three Other International Organizations. Reestimates are provided for fiscal years 1985 and 1986 for those organizations where draft budget estimates were revised and final budgets were adopted subsequent to the President's fiscal year 1986 budget submission to Congress in February 1985.

Beginning with calendar year 1986, the United States proposes to defer part of its assessment to the next U.S. fiscal year for the the Inter-American Institute for Cooperation on Agriculture (IICA), the Organization of American States (OAS), the Pan American Health Organization (PAHO) and the North Atlantic Treaty Organization (NATO).

Current U.S. requirements total $499,319,000 against an appropriation of $463,000,000 for the fiscal year 1986. This creates a $36,319,000 shortfall taken into consideration in the request as follows: calendar year 1986 deferrals ($23,840,000); and shortfalls to U.S. requirements in the UN ($11,160,000) and FAO ($1,319,000).

III. 1987 Plans

The fiscal year 1987 request totals $432,930,000. For those organizations where the United States currently defers its calendar year assessment to the next U.S. fiscal year (i.e. FAO, IAEA, ICAO [regular budget], ILO, IMO, UN, UNIDO, WHO, WIPO, WMO, OECD [regular budget] and GATT), the $396,856,000 request will provide requirements toward the United States assessment for the calendar year 1986. For the remaining 34 organizations, the $36,074,000 requested will provide requirements toward the United States assessment for the organizations' corresponding financial period, be it the calendar year 1987 or a fiscal year which begins in 1986 and ends in 1987.

FY 1987
SUMMARY OF ACTIVITIES

	POSITIONS				FUNDS ($000s
	Americans Dom.	Americans Ovseas	FSNs	Total Pos.	Total Funds
1986 CURRENT ESTIMATE	--	--	--	--	$463,000
Built-In Changes	--	--	--	--	-30,070
1987 CURRENT SERVICES	--	--	--	--	432,930
1987 REQUEST (BUDGET AUTHORITY)	--	--	--	--	432,930
Increase or decrease of 1987 over/from 1986	--	--	--	--	-30,070

Comparison of Activities	POSITIONS 1985 Actual	POSITIONS 1986 Estimate	POSITIONS 1987 Request	FUNDS 1985 Actual	FUNDS 1986 Estimate	FUNDS 1987 Request
Diplomatic Relations Through International Organizations						
Contributions To International Organizations						
United Nations And Affiliated Agencies						
Food and Agriculture Organization		--	--	$49,973	$36,760	$39,694
International Atomic Energy Agency				18,098	19,503	20,702
Intl. Civil Aviation Organization		--	--	6,828	7,606	7,871
International Labor Organization		--	--	32,393	31,606	32,192
International Maritime Organization		--	--	524	507	527
Intl. Telecommunication Union			--	2,539	3,302	2,989
United Nations				182,932	180,901	193,501
United Nations Industrial Development Organization	--	--	--	--	--	12,745
Universal Postal Union		--	--	407	556	467
World Health Organization	--	--	--	61,146	61,146	61,719
World Intellectual Property Organization				408	497	431
World Meteorological Organization			--	4,596	4,712	4,447
Section 143 Withholding (P.L. 99-93)	--	--	--	--	--	-79,134
Subtotal, United Nations And Affiliated Agencies	--		--	359,844	347,096	298,151
Inter American Organizations						
Inter American Indian Institute	--	--		103	104	104
Inter American Institute for Cooperation on Agriculture				$12,625	$9,639	$12,682

FY 1987
SUMMARY OF ACTIVITIES

Comparison of Activities	POSITIONS 1985 Actual	1986 Estimate	1987 Request	FUNDS 1985 Actual	1986 Estimate	1987 Request
Organization of American States	--	--	--	43,129	31,072	42,554
Pan American Health Organization	--	--	--	32,420	26,138	33,410
Pan American Institute of Geography and History	--	--	-	309	322	331
Pan American Railway Congress Association	--	--	--	25	25	25
Subtotal, Inter-American Organizations	--	--	--	88,611	67,300	89,106
Regional Organizations						
Colombo Plan Council for Technical Cooperation	--	--	--	9	9	9
North Atlantic Assembly	--	--	--	273	380	339
North Atlantic Treaty Organization	--	--	--	15,648	17,707	16,595
Organization for Economic Cooperation and Development	--	--	--	16,365	21,403	19,908
South Pacific Commission	--	--	--	448	469	525
Subtotal, Regional Organizations				32,743	39,968	37,376
Other International Organizations						
Bureau of International Expositions		--	--	13	16	13
Customs Cooperation Council			--	1,083	1,476	1,428
General Agreement on Tariffs and Trade		--	--	2,925	4,042	3,659
Hague Conference on Private International Law	-	--	--	29	40	35
International Agency for Research on Cancer		--	--	890	631	646
International Bureau of the Permanent Court Arbitration	--	--	--	6	7	6
International Bureau for the Publication of Customs Tariffs	--	--	--	31	42	37
International Bureau of Weights and Measures	--	--		256	361	327
Intl. Center for Study Preservation & Restor. of Cultural Property	--	--	--	314	334	334
Intl. Coffee Organization	--	-		-	553	584
Intl. Cotton Advisory Committee	--	-		139	123	133
Intl. Hydrographic Organization	-			41	50	55
Intl. Institute for the Unification of Private Law		--		40	55	48
Intl. Jute Organization		--	--	--	--	117
Intl. Lead and Zinc Study Group		--		$17	$24	$22

FY 1987
SUMMARY OF ACTIVITIES

Comparison of Activities	POSITIONS 1985 Actual	1986 Estimate	1987 Request	FUNDS 1985 Actual	1986 Estimate	1987 Request
Intl. Natural Rubber Organization	--	--	--	159	161	184
Intl Office of Eqizootics	--	--		37	45	39
Intl. Organization for Legal Metrology				38	53	48
International Rubber Study Group				30	40	36
International Seed Testing Association		--	--	3	4	3
Interparliamentary Union		--	--	217	345	309
Maintenance of Certain Lights in the Red Sea	--	--	--	16	21	18
World Tourism Organization	--	--	--	204	213	216
Subtotal, Other International Organizations	--	--	--	6,488	8,636	8,297
Subtotal, Contributions To International Organizations				487,686	463,000	432,930
Subtotal, Diplomatic Relations Through International Organizations				487,686	463,000	432,930
TOTAL BUDGET AUTHORITY				487,686	463,000	432,930

FY 1987

Justification of Program Activities

	Positions		Funds
	American	FSN	(in thousands)
1987 Request...........................	--	--	$ 432,930

Justification of Program and Performance

(dollar amounts in thousands)

Activities: United Nations and Affiliated Agencies

	1986 Current Estimate	1987 Request	Increase or Decrease (-)
Food and Agriculture Organization	$ 36,760	$ 39,694	$ 2,934
International Atomic Energy Agency	19,503	20,702	1,199
International Civil Aviation Organization	7,606	7,871	265
International Labor Organization	31,606	32,192	586
International Maritime Organization	507	527	20
International Telecommunication Union	3,302	2,989	-313
United Nations	180,901	193,501	12,600
United Nations Industrial Development Organization	--	12,745	12,745
Universal Postal Union	556	467	-89
World Health Organization	61,146	61,719	573
World Intellectual Property Organization	497	431	-66
World Meteorological Organization	4,712	4,447	-265
Subtotal requirements	347,096	377,285	30,189
Section 143 Withholding (P.L. 99-93)	--	-79,134	-79,134
Total requirements	347,096	298,151	-48,945

Goals and Objectives

U.S. actions in the UN are guided by the principles of the Charter: respect for the sovereignty and territorial integrity of all nations, the resort of peaceful means in settling disputes, and the promotion of human rights, including human freedom and economic development. Adhering to these principles, overall U.S. goals for the UN are: to increase its capacity for anticipating, avoiding and mediating conflict situations endangering world peace; to turn the organization more toward constructive dialogue and less toward public posturing; to improve its performance through a more efficient use of its resources; and to increase international support for U.S. foreign policy initiatives. Supporting objectives require that the U.S. ensures effective American leadership and participation; seeks responsible budget and management practices; seeks improved evaluation mechanisms and assessments of field programs; keeps extraneous political issues out of the specialized agencies; seeks to increase the role of the private sector; and strives to increase the number of U.S. nationals in international organizations.

Base Program

The U.N. and Affiliated Agencies provide the U.S. with a wide range of opportunities for promoting U.S. interests, views, and values in such diverse fields as health, food and agriculture, labor, postal services, telecommunications, shipping, civil aviation, meteorology, peaceful uses of nuclear energy, and patents and copyrights. Without these agencies, it would be exceedingly difficult for the U.S. to carry out cooperative initiatives in such critical areas as nuclear non-proliferation, food production and population growth. These agencies enable us to solve global and regional problems not readily amenable to bilateral diplomacy.

FOOD AND AGRICULTURE ORGANIZATION
Rome, Italy

1987 Increase: $2,934,000

Computation of Estimate	Actual FY 1985 (CY 1984)	Estimate FY 1986 (CY 1985)	Estimate FY 1987 (CY 1986)
Expenditure Budget	$236,070,000	$236,070,000	$249,600,000
Other Income and Adjustments	-13,280,000	-13,280,000	- 20,500,000
Assessment Against Members	222,790,000	222,790,000	229,100,000
United States Percentage Share	25.00%	25.00%	25.00%
United States Assessment	55,697,500	55,697,500	57,275,000
Tax Equalization Fund Credit	- 5,725,000	-6,070,200	-7,200,000
Prior Year Adjustments	--	-11,548,300	--
Fiscal Year 1986 Shortfall	--	-1,319,000	1,319,000
Tax Equalization Fund Reduction	--	--	-540,000
Estimated Exchange Rate Credit	--	--	-11,160,000
Total Requirements	$49,972,500	36,760,000	39,694,000

Explanation of Estimate

The Fiscal Year 1987 expenditure budget is based on the FAO 1986-87 Program of Work and Budget adopted on November 20, 1985 by the FAO Conference. The expenditure budget for the biennium is $499,200,000 consisting of an effective working budget of $437,000,000 and a tax equalization fund of $62,200,000. The effective working budget is an increase of $15,860,000 or 3.8 percent over the effective working budget for the 1984-85 biennium of $421,140,000. Of the total increase, $10,521,000, or 2.5 percent, is attributable to wage and price increases, $5,030,000, or 1.2 percent, to net real growth and $309,000, or 0.1 percent for related cost increases consequent to real growth.

The U.S. Calendar Year 1986 assessment is computed upon the expenditure budget less estimated miscellaneous income. It is 25 percent of the net assessment against members and is calculated to be $57,275,000. Offset against this amount is a Tax Equalization Fund credit of $7,200,000 as well as $11,160,000 which represents the estimated U.S. share of exchange rate gains from the 1984-85 biennium. After applying an additional tax reduction of $540,000 and adding $1,319,000 resulting from the FY 1986 appropriation shortfall, the U.S. requirement for Calendar Year 1986 becomes $39,694,000 which will be paid in Fiscal Year 1987. Ths fiscal year 1987 request is intended to meet the U.S. assessment for the calendar year 1986.

Purpose and Benefits to the United States

Since its establishment, the FAO has grown to be the principal international organization concerned with international agricultural programs and development. FAO is responsible for implementing many of the decisions of the 1974 World Food Conference and the 1979 World Conference on Agrarian Reform and Rural Development. It is closely identified with efforts to provide greater world food security through food reserves, aid and assistance to increase food production on a worldwide basis.

FAO's program of work can be placed in four categories from which the U.S. benefits: (1) the collection and dissemination of information on world agriculture; (2) protection of plants and animals and the resources which provide their sustenance; (3) assistance, particularly to developing countries, to improve production and (4) international fora for discussion of issues in food and agriculture of world-wide concern.

Statutory Authorization

P.L. 79-197 approved July 31, 1945; as amended by P.L. 81-806 approved September 21, 1950; P.L. 84-726 approved July 18, 1956; P.L. 85-141 approved August 14, 1957; P.L. 87-195 approved September 4, 1961 (22 U.S.C. 279-279d). The United Nations Food and Agriculture Organization Constitution, adopted by the United States effective October 16, 1945 (T.I.A.S. 1554) and composite text, as amended to 1957 (T.I.A.S. 4803).

INTERNATIONAL ATOMIC ENERGY AGENCY
Vienna, Austria

1987 Increase: $1,199,000

Computation of Estimate	Actual FY 1985 (CY 1984)	Estimate FY 1986 (CY 1985)	Estimate FY 1987 (CY 1986)
Expenditure Budget	$96,830,000	$95,025,000	$ 98,680,000
Other Income and Adjustments	- 8,044,000	- 7,685,000	- 8,110,000
Assessment Against Members	88,786,000	87,340,000	90,570,000
U.S. Percentage Share (approx.)	25.85%	25.89%	25.89%
United States Assessment:			
Billed in Austrian schillings	--	--	335,217,999
Estimated Foreign Currency Exchange Rate Shortfall	--	--	-36,975,919
U.S. Payment in Austrian Schillings	--	--	298,242,080
U.S. dollar equivalent of Austrian Schilling Payment a/			$16,887,557
Billed in U.S. dollars	$22,950,050	$22,609,383	$ 6,258,769
Total to be Paid in U.S. Dollars	22,950,050	22,609,383	23,146,326
Prior Year Adjustments	-4,604,269	-3,106,383	-2,444,326
Less: Statutory Restriction	-247,736	--	--
Total Requirements	18,098,045	19,503,000	20,702,000

a/ At an exchange rate of approximately 17.66 Austrian Schillings to $1.00.

Explanation of Estimate

The organization has an expenditure budget of $98,680,000 for Calendar Year 1986, an increase of approximately 3.85 percent over the previous year primarily due to inflation. The budget provides for negative real growth of 0.2 percent.

The U.S. share of the CY 1986 net assessment budget, at an estimated 25.89 percent, is $6,258,769 and 335,217,999 Austrian schillings. However, continually falling exchange rates cause an anticipated shortfall of 36,975,919 Austrian schillings. The U.S. payment in Austrian schillings is therefore estimated at 298,242,080 Austrian schillings, or $16,887,557. The estimated total U.S. dollar payment accordingly amounts to $23,146,326, offset by a credit of $2,444,326 for prior year adjustments to arrive at the Fiscal Year 1987 request of $20,702,000. When compared to fiscal year 1986, this represents an increase of $1,199,000 The fiscal year 1987 request represents requirements toward the U.S. assessment for the calendar year 1986.

Purpose and Benefits to the United States

The objectives of the International Atomic Energy Agency (IAEA) are: (1) to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world; and (2) to ensure, so far as it is able, that assistance provided by it or under its supervision is not used in such a way to further any military purpose.

In pursuance of these objectives, the IAEA is involved in a broad range of activities of vital concern to the United States. Among these is the application of Agency safeguards over nuclear material aimed at verifying that it is not diverted from peaceful uses to nuclear weapons or other nuclear explosive devices.

The IAEA applies safeguards to non-nuclear weapons States parties to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) as well as to those non-NPT countries which agree to accept IAEA safeguards. Not only is the number of facilities inspected increasing, but there are also more sophisticated and sensitive facilities, such as reprocessing and enrichment plants, which have come under Agency safeguards.

A number of other IAEA programs are also of special interest to the United States and the U.S. has been an active participant in these activities. Programs such as health and safety standards, environmental aspects of nuclear energy, nuclear waste disposal, studies on storage for spent fuel and weapons usable material, physical protection of nuclear material help to promote the safe development and use of nuclear power throughout the world.

Statutory Authorization

P.L. 85-177 approved August 28, 1957 (22 U.S.C. 2021-2026). The International Atomic Energy Statute, ratification advised by the Senate June 18, 1957 (T.I.A.S. 3873).

INTERNATIONAL CIVIL AVIATION ORGANIZATION
Montreal, Canada

1987 Increase: $265,000

Itemization of Estimate	Actual 1985	Estimate 1986	Estimate 1987
1. United States Share of the Expenses of ICAO	$6,772,500	$7,091,000	$7,531,000
2. Joint Financing Program	55,944	515,000	340,000
3. Total Requirements	6,828,444	7,606,000	7,871,000

(1) United States Share of ICAO Expenses

1987 Increase: $440,000

Computation of Estimate	Actual FY 1985 (CY 1984)	Estimate FY 1986 (CY 1985)	Estimate FY 1987 (CY 1986)
Expenditure Budget	$35,195,000	$36,917,000	$39,107,000
Other Income and Adjustments	-8,105,000	-8,555,000	-8,983,000
Assessment Against Members	27,090,000	28,362,000	30,124,000
United States Percentage Share	25.00%	25.00%	25.00%
Total Requirements	6,772,500	7,091,000	7,531,000

Explanation of Estimate

The CY 1984-86 triennial expenditure budget for ICAO is $111,219,000, which is an increase of $22,352,000 or 25.1 percent over the total amount of $88,867,000 for the 1981-83 triennium. This increase is attributable to inflation and mandatory cost increases.

The United States' share of the CY 1986 assessment budget at 25 percent is $7,531,000, an increase of $440,000 over the assessment for CY 1985. The fiscal year 1987 request is intended to meet the United States assessment for the calendar year 1986.

Purpose and Benefits to the United States

The purpose of the International Civil Aviation Organization (ICAO) is to develop the principles and techniques of international air navigation and to foster the planning and development of international air transport, in order to insure the safe and orderly growth of international civil aviation throughout the world; encourage the development of airways, airports, and air navigation facilities for international civil aviation; insure that the rights of contracting states are fully respected and that every contracting state has a fair opportunity to operate in the field of international commercial aviation; promote safety of flight in international air navigation; and the development of all aspects of international civil aeronautics.

Of major interest to the United States is the role ICAO plays in developing technical measures to prevent hijacking and other terrorist acts of unlawful interference with international civil aviation. Other ICAO activities of interest to the U.S. include the establishment of noise and emissions standards in international air service and the promotion of uniformity in international air navigation services and facilities.

(2) United States Participation in ICAO Joint Financing Program a/

1987 Decrease: -$175,000

Computation of Estimate	Actual 1985	Estimate 1986	Estimate 1987
Danish Projects (net)	$55,944	$515,000	$340,000
Icelandic Projects (net)	--	--	--
Total Contribution	55,944	515,000	340,000

a/ Because it is a payment for services used, the JFP is not subject to the deferral program.

Explanation of Estimate

Assessments on Member States under the Joint Financing Program depend on the volume of air traffic over the North Atlantic. In August 1982, the Program was amended to place user fees on a current basis instead of the previous practice of assessing members for services rendered two years prior to the year in question. This change, effective in fiscal year 1984, initially lowered U.S. assessments. Due to increased flights after 1985, these assessments are expected to increase in 1986 and 1987. Because of credits built up in the Icelandic Project account prior to 1985, estimated U.S. contributions from 1985 to 1987 are expected to be zero.

The 1987 budget for the Joint Financing Program is estimated to be $340,000, a decrease of $175,000 from the amount for the fiscal year 1986.

Purpose and Benefits to the United States

The purpose of this program in the ICAO budget is to provide joint financing which supports and maintains the air navigation facilities and aircraft communications network over the North Atlantic air routes, the most heavily travelled in the world. The U.S. and the other user states, as well as the user airlines, pay a fee based on their proportionate use of these air navigation facilities, which are located in the territories of Denmark (Greenland) and Iceland. They are jointly financed because their cost is disproportionate to their usage by Denmark and Iceland.

Statutory Authorization

The Convention on International Civil Aviation, Chapter XV, 1944, ratification advised by the Senate July 25, 1946 (T.I.A.S. 1591).

INTERNATIONAL LABOR ORGANIZATION
Geneva, Switzerland

1987 Increase: $586,000

Computation of Estimate	Actual FY 1985 (CY 1984)	Estimate FY 1986 (CY 1985)	Estimate FY 1987 (CY 1986)
Expenditure Budget	$127,372,000	$127,372,000	$126,570,000
Other Income and Adjustments	--	--	--
Assessment Against Members	127,372,000	127,372,000	126,570,000
United States Percentage Share	25.00%	25.00%	25.00%
United States Assessment	31,843,000	31,843,000	31,642,500
Less: Credit from Prior Year Surplus	--	-787,442	--
Tax Equalization Reimbursement	550,000	550,442	549,500
Total Requirements	32,393,000	31,606,000	32,192,000

Explanation of Estimate

The 1986-1987 biennial expenditure budget for the ILO is $253,140,000. This represents a decrease of $1,604,000 or 0.6 percent from the total amount of $254,744,000 for the 1984-1985 biennium. This decrease is attributable primarily to revaluation of exchange rates.

The U.S. share of the 1986-1987 biennial budget for the calendar year 1986, at 25 percent, is $31,642,500. When an anticipated tax equalization reimbursement of $549,500 is included, the total U.S. requirement for the fiscal year 1987 becomes $32,192,000, an increase of $586,000 from the fiscal year 1986. The fiscal year 1987 request is intended to meet the U.S. assessment for the calendar year 1986.

Purpose and Benefits to the United States

With a present membership of 150 nations, the ILO is unique among international organizations in that delegations are tripartite, consisting of representatives from a member state's government, business management, and labor sectors. Within the national delegation framework, these groups independently represent their own point of view on issues of concern to the ILO. U.S. delegations to the ILO general conferences and Governing Body sessions consist of representatives from the Federal government, the AFL-CIO, and the U.S. Council for International Business.

United States participation in the ILO is guided by national interests as defined by the President's Committee on the ILO, which consists of the Secretaries of Labor, State and Commerce as well as the National Security Adviser; and the presidents of the AFL-CIO and the U.S. Council for International Business. U.S. interests include preserving and strengthening the ILO's quasi-judicial machinery for the supervision of its International Labor and Human Rights conventions, promoting effective ILO programs while holding the line on budget growth, ensuring the autonomy of the worker and the employer groups and discouraging the introduction of disruptive political issues outside the ILO's area of technical competence.

The ILO promotes the interests of working people and their families through its policy-making organs -- an annual general conference and Governing Body sessions -- which adopt international labor standards designed to enhance their economic and social well-being. Perennial issues include the right to freedom of association, the right to bargain collectively, and the practices of forced labor, child labor and employment discrimination.

ILO efforts to undertake impartial investigations of labor standards violations in Eastern Europe contributed to the establishment of the Solidarity movement in Poland; to the international censure of the Soviet Union in 1981 for mistreatment of Soviet workers; and to continuing investigations of labor complaints against the USSR and Czechoslovakia, among others. ILO activities in such fields as worker education, industrial skills training, occupational safety and health, manpower planning, and management training, are aimed at helping countries to preserve or enhance the rights and dignity of workers while advancing economically.

There are ILO programs which directly benefit the U.S., such as the occupational safety and health hazard alert system, and the labor standards and human rights program. In addition, there are others which we support because such support serves the long-term interests of the U.S. Examples of these are: the Employment and Development program whose objectives are to promote and attain higher levels of employment and the satisfaction of basic human needs as called for in the Program of Action adopted in 1976 by the World Employment Conference, which the U.S. supported.

The U.S. also supports ILO programs regarding Planning for Employment and Alleviation of Poverty, International Employment Problems and Policies, and Population and Labor Policies. All of these programs contribute to the solution of labor-related problems abroad and to the growth of stable and democratic labor movements.

Statutory Authorization

P.L. 80-843 approved June 30, 1948, as amended by P.L. 81-806 approved June 30, 1958 (22 U.S.C. 271-272a). The International Labor Organization Constitution amendment, acceptance by the United States deposited August 2, 1958 (T.I.A.S. 1868).

INTERNATIONAL MARITIME ORGANIZATION
London, England

1987 Increase: $20,000

Computation of Estimate	Actual FY 1985 (CY 1984)	Estimate FY 1986 (CY 1985)	Estimate FY 1987 (CY 1986)
Expenditure Budget	$12,593,800	$11,848,200	$12,935,900
Other Income and Adjustments	-1,940,000a/	- 1,715,721	- 2,421,000
Assessment Against Members	10,653,800	10,132,479	10,514,900
United States Percentage Share (approx.)	4.96%	5.01%	5.01%
United States Assessment	528,783	507,000	527,000
Less: Statutory Restriction (P.L. 98-473: Kasten Amendment)	-5,078	--	--
Total Requirements	523,705	507,000	527,000

a/ Predominantly currency exchange rate gains.

Explanation of Estimate

The 1986-87 biennial budget was approved in November 1985. IMO estimates expenditures of $12,935,900 in 1986 and of $13,745,600 in 1987 for a total of $26,681,500 during the biennial budget period. This is an increase of $2,239,500 or 9.2 percent over the total amount of $24,442,000 for the 1984-85 biennium. This increase is attributable to inflation and increased costs related to the expansion of language services. Cost increases of 20.3 percent are offset by exchange rate savings of 10.4 percent and other savings of 0.7 percent.

For calendar year 1986, the United States' share will be 5.01 percent or $527,000, which will be paid from fiscal year 1987 funds. This represents an increase of $20,000 from the estimated fiscal year 1986 requirement. The fiscal year 1987 request is intended to meet the U.S. assessment for the calendar year 1986.

Purpose and Benefits to the United States

The International Maritime Organization (IMO) is responsible for the establishment of the highest practicable standards for maritime safety and the prevention of marine pollution. It presently has 125 member states. As the world's largest user of international shipping, the U.S. has a strong interest in supporting the IMO's efforts to establish strong maritime safety and pollution control standards.

IMO activities include the establishment of safety standards for maritime personnel and equipment and the adoption of common procedures to enhance safety of life at sea. In addition, IMO's work in preventing marine pollution include more stringent controls for carriage of hazardous and dangerous goods, oil discharge and control systems, oil tanker washing systems and identification of areas of the ocean which are particularly sensitive to pollution.

The U.S. reaps much of the benefit of the work of this organization while paying only 4.96 percent of its costs because the majority of the costs are borne by those nations with the greatest percentage of the world's gross registered tonnage.

Statutory Authorization

The Intergovernmental Maritime Consultative Organization Convention, ratification advised by the Senate July 27, 1950 and entered into force for the United States March 17, 1958 (T.I.A.S. 4044)

INTERNATIONAL TELECOMMUNICATION UNION
Geneva, Switzerland

1987 Decrease: -$313,000

Computation of Estimate	Actual 1985	Estimate 1986	Estimate 1987
Expenditure Budget (in Swiss Francs)	96,293,000	101,429,000	112,633,000
Other Income and Adjustments	- 9,393,500	-10,174,400	-10,846,000
Assessment Against Members	86,899,500	91,254,600	101,787,000
United States Percentage Share (approx.)	7.64%	7.63%	7.63%
United States Assessment	6,642,000	6,966,000	7,770,000
Prior Year Adjustment	-121,012	--	--
Estimated Foreign Currency Exchange Rate Shortfall	--	--	-1,552,880
U.S. Payment in Swiss Francs	6,520,988	6,966,000	6,217,120
Total Requirements	2,538,816 a/	$ 3,302,000 b/	$ 2,989,000 c/

a/ At an exchange rate of (approx.) 2.57 Swiss Francs to $1.00.

b/ At an exhcange rate of (approx.) 2.11 swiss Francs to $1.00.

c/ At an exchange rate of (approx.) 2.08 Swiss Francs to $1.00.

Explanation of Estimate

The 1987 expenditure budget, to be approved by the July 1986 Administrative Council, is estimated to be 112,633,000 Swiss Francs. This increase of 11 percent, or 11,204,000 Swiss Francs, is attributable to inflation and an anticipated heavy conference schedule.

The United States estimated assessment, at 7.63 percent, is 7,770,000 Swiss Francs. However, continuously falling exchange rates cause an anticipated shortfall of 1,552,880 Swiss Francs. The U.S. payment is therefore estimated at 6,217,120 Swiss Francs or $2,989,000, a decrease of $313,000 from the Fiscal Year 1986.

Purpose and Benefits to the United States

The purpose of the International Telecommunication Union (ITU) is threefold: (1) to maintain and extend international cooperation for the improvement and rational use of telecommunications of all kinds; (2) to promote the development of technical facilities and their most efficient operation with a view to improving efficiency of telecommunication services, increasing their usefulness and making them, so far as possible, generally available to the public; and (3) to harmonize the actions of nations in the attainment of those common goals. Important tasks confronting the Union in the near term will include the establishment of order in and use of the radio frequency spectrum and geostationary orbit for satellite telecommunications.

Statutory Authorization

The International Telecommunication Convention with Annexes and Protocol, Malaga-Torremolinos, 1973 ratification by Senate January 22, 1976 and entered into force with respect to the United States in April 1976 (T.I.A.S. 8572)

UNITED NATIONS
New York, New York

1987 Increase: $12,600,000

Computation of Estimate	Actual FY 1985 (CY 1984)	Estimate FY 1986 (CY 1985)	Estimate FY 1987 (CY 1986)
Expenditure Budget	$791,257,700	$817,971,300	$860,098,850
Other Income and Adjustments	- 29,175,200	- 26,381,900	- 18,990,050
Assessment Against Members	762,082,500	791,589,400	841,108,800
United States Percentage Share	25.00%	25.00%	25.00%
United States Assessment	190,520,625	197,897,350	210,277,200
Offset for Repayment of Loan	-3,896,549	-3,886,104	- 3,888,717
U.S. Calendar Year Requirement	186,624,076	194,011,246	206,388,483
Less: Statutory Restriction (Sec. 14, P.L. 99-93) (est.)	-1,075,076 a/	-1,000,000	-1,000,000
Less: Statutory Restriction (P.L. 98-473: Kasten Amendment) (est.)	-1,705,203	--	--
Less: U.S. Share of Law of the Sea Preparatory Commission (est.)	-912,000	-950,246	-900,483
Fiscal Year 1986 Shortfall	--	-11,160,000	11,160,000
Fiscal Year 1987 Shortfall	--	--	-7,207,000
Tax Equalization Fund Reduction	--	--	-14,940,000
Total Requirements	182,931,797 b/	180,901,000	193,501,000

a/ Statutory Restriction (P.L. 98-164).

Explanation of Estimate

The 1986-87 biennial budget approved by the 40th United Nations General Assembly on December 18, 1985, calls for expenditures of $1,663,341,500, which represents an increase of approximately 10.6 percent over the revised 1984-85 appropriations, after taking into account the adjustment for the transfer to United Nations Industrial Development Organization (UNIDO). The increase is attributable, according to the UN, to inflation and real growth of 0.1 percent.

After deductions for other income, the United States share of the calendar year 1986 assessment budget, at 25 percent, is $210,277,200. Offset against this amount is the 24th payment to the United States for its bonds, $3,888,717, a statutory restriction withholding of $1,000,000, other withholdings of $900,483 and the application of a tax reduction totalling $14,940,000. An additional $11,160,000 is added resulting from the FY 1986 appropriation shortfall, and $7,207,000 is deducted, thus making a United States payment of $193,501,000 for fiscal year 1987. The fiscal year 1987 request represents requirements towards the calendar year 1986 assessed budget.

Purpose and Benefits to the United States

The United Nations is important to the conduct of United States foreign policy because it provides both a center for diplomacy and an instrument for international cooperation in a wide range of constructive activities. It is clearly in the interest of the United States to encourage other nations to share, under the auspices of the United Nations, the responsibilities and costs of measures to deal with global problems such as peace and security, refugees, narcotics and disarmament.

A. International Peace and Security

The UN Security Council is the primary international institution responsible for the maintenance of international peace and security and resolving conflicts. As a Permanent Member, the U.S. has a strong interest in using the Security Council, whose resolutions are binding on member states, as an effective instrument. Over the years, the Council has been effective in establishing useful peacekeeping operations in the Middle East, Africa and in Cyprus, and in providing the framework for UN-supervised conciliation and mediation efforts.

The General Assembly has also spoken out at times in support of peace and security, although its resolutions are only recommendatory. At the 39th General Assembly, resolutions calling for the end of foreign occupations in Afghanistan and Kampuchea passed by wide margins.

B. Disarmament

The UN General Assembly is a major international forum for exchanging views and making recommendations on multilateral disarmament matters. Although the most important arms control activities for the U.S. occur in the bilateral negotiations with the Soviet Union, the UN offers a forum for us to project our views on arms control, including the vital requirement of verification.

At the 39th UNGA, the US-sponsored resolution on chemical weapons (CW) use was adopted by a large majority. The Western group worked well together in reviewing the 72 resolutions before the First Committee.

C. Refugees

The United Nations High Commissioner for Refugees (UNHCR) provides international protection to refugees and seeks permanent solutions to their problems by assisting government and private organizations to facilitate voluntary repatriation of refugees or their resettlement within other countries. The administrative expenses relating to the function of the UNHCR are borne by the UN Regular Budget. All other expenditures are financed through voluntary contributions.

D. Narcotics

The United Nations has been an effective forum in which the United States has pursued its active interest in drug abuse control. The International Drug Abuse Control Strategy and its related five year program of action adopted by the General Assembly in 1981 highlight the current importance and priority placed by the international community on the work of the United Nations in the field of international drug control. During the biennium, the United Nations will focus its efforts on the reduction of illicit cultivation, the interdiction of the illicit drug traffic and the improvement of drug control systems at the national, regional and multilateral levels.

Statutory Authorization

P.L. 79-264 approved December 20, 1945; as renumbered and amended by P.L. 81-341 approved October 10, 1949 (22 U.S.C. 287-287e). The United Nations Charter ratification advised by the Senate, July 28, 1945 (T.S. 933).

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION
Vienna, Austria

1987 Increase: $12,745,000

Computation of Estimate	Estimate FY 1987 (CY 1986)
Expenditure Budget	$ 77,376,274
Other Income and Adjustments	-10,304,528
Assessment Against Members	67,071,746
United States Percentage Share	25.00%
United States Assessment	16,767,936
Working Capital Fund	1,500,000
Less: Credit for Staff Assessment	- 2,678,936
Total U.S. Requirement	15,589,000
Fiscal Year 1987 Shortfall	-2,844,000
Total Requirements	12,745,000

Explanation of Estimate

The UNIDO Constitution entered into force on June 21, 1985. As part of the process of conversion to specialized agency status, UNIDO's General Conference approved the 1986-87 biennial budget in December 1985. The expenditure budget of $154,457,100 is comprised of certain expenditures transferred from the UN budget to UNIDO, as well as additional expenditures (approximately one percent real growth) associated with the conversion process, and $42,045,743 in income. Inflation is estimated at 4 percent.

The U.S. share of the 1986-87 budget for calendar year 1986, at 25 percent, is $16,767,936. The amount is increased by $1,500,000 for the U.S. share (25 percent) of the initial capitalization of UNIDO's working capital fund and decreased by an estimated credit of $2,678,936 for staff assessment. and a further adjustment of $2,844,000 bringing the FY 1987 request to $12,745,000. This represents requirements towards the U.S. assessment for the calendar year 1986. The calendar year 1986 UN budget has been adjusted to reflect UNIDO's conversion to specialized agency status.

Purpose and Benefits to the United States

The United Nations Industrial Development Organization (UNIDO) seeks to promote and accelerate the industrial development of developing countries. UNIDO is a major provider of technical assistance for industrialization and is the third largest UN executing agency for United Nations Development Program funded projects. UNIDO has a mandate to deal with the private sector in implementing its program of work.

UNIDO affords opportunities for U.S. private sector involvement in industrialization and has matched U.S. investment capital with specific projects in a number of developing countries. Industrialization of the developing countries leads, in turn, to increased markets for U.S. goods and services. UNIDO's emphasis on private sector participation enables market economy countries to demonstrate the success of the free enterprise system.

The UNIDO Constitution requires a two-thirds majority of members present and voting for decisions on the organization's program and budget. The representation of Western nations on UNIDO's Program and Budget Committee (PBC) gives the West, plus one, a hypothetical "blocking third" in this body. In addition to the PBC, the U.S. also has a seat on UNIDO's other decision-making body, the Industrial Development Board.

The U.S. supports UNIDO's conversion to an independent specialized agency, which took place on January 1, 1986. The U.S. sees greater opportunities to influence positively UNIDO's program and direction once it is a specialized agency.

Statutory Authorization

The Senate gave its Advice and Consent to ratification of the Constitution of the United Nations Industrial Development Organization (UNIDO) on June 21, 1983. The President signed the ratification instrument on August 2, 1983. The ratification instrument was deposited with the Secretary General of the United Nations on September 2, 1983. The Constitution entered into force on June 21, 1985.

UNIVERSAL POSTAL UNION
Bern, Switzerland

1987 Decrease: -$89,000

Computation of Estimate	Actual FY 1985	Estimate FY 1986	Estimate FY 1987
Expenditure Budget (in Swiss Francs)	22,961,000	24,743,000	25,347,047
Other Income and Adjustments	-2,939,000	-3,329,325	-3,185,870
Assessment Against Members	20,022,000	21,413,675	22,161,177
United States Percentage Share (approx.)	4.70%	5.10%	5.10%
United States Assessment	940,000	1,092,000	1,130,220
English Translation Service	88,600	80,000	84,000
Total United States Requirement	1,028,600	1,172,000	1,214,220
Estimated Foreign Currency Exchange Rate Shortfall	--	--	-242,860
U.S. Payment in Swiss Francs	1,028,600	1,172,000	971,360
Total Requirements	$ 406,719 a/	$ 556,000 b/	$ 467,000 c/

a/ At an exchange rate of (approx.) 2.53 Swiss Francs to $1.00

b/ At an exchange rate of (approx.) 2.11 Swiss Francs to $1.00

c/ At an exchange rate of (approx.) 2.08 Swiss Francs to $1.00

Explanation of Estimate

The 1987 expenditure budget for the Universal Postal Union (UPU) is estimated to be 25,347,047 Swiss francs, an increase of 604,047 Swiss francs over the 1986 expenditure budget. This increase is attributable to inflation.

The United States estimated assessment, at 5.10 percent, is 1,130,220 Swiss Francs. The U.S. share of total contributions to the UPU has increased because of fewer participatory units in the Union. The cost of each remaining unit thus increased. The total requirement, including 84,000 Swiss Francs for the English Translation Service is 1,214,220 Swiss Francs. However, continuously falling exchange rates cause an anticipated shortfall of 242,860 Swiss Francs. The U.S. payment is therefore estimated at 971,360 Swiss Francs or $467,000, a decrease of $89,000 from the Fiscal Year 1986.

Purpose and Benefits to the United States

The Universal Postal Union (UPU) is the international organization through which the orderly handling of international mail is accomplished. It is an indispensible organ for coordinating the postal services of its member countries. One hundred and sixty four countries adhere to the Convention; the U.S. has been a member since 1875. The Universal Postal Congress normally meets at 5 year intervals to review and possibly revise its convention, its regulations, and other agreements. Its work is facilitated by the International Bureau of the Universal Postal Union, which serves as a clearinghouse between meetings of the Congress.

The UPU permits the uniform dispatch and receipt of international mail. It is the fulcrum for the flow of international postal communications and it serves the diverse governmental, industrial, commercial, business, cultural and private U.S. interests that provide a substantial portion of the world's international mail. It is also the medium for the cultivation of international postal relations that facilitate special postal services and arrangements and the solution of international postal problems at the bilateral level.

Statutory Authorization

On July 1, 1981, the new Universal Postal Convention, Rio de Janeiro, 1979, entered into force for the United States. (T.I.A.S. 9972).

WORLD HEALTH ORGANIZATION
Geneva, Switzerland

1987 Increase: $573,000

Computation of Estimate	Actual FY 1985 (CY 1984)	Estimate FY 1986 (CY 1985)	Estimate FY 1987 (CY 1986)
Expenditure Budget	$290,869,950	$290,869,950	$302,663,700
Other Income and Adjustments	-29,750,000	-29,750,000	30,895,000
Assessment Against Members	261,119,950	261,119,950	271,768,700
United States Percentage Share	25.00%	25.00%	25.00%
United States Assessment	65,279,987	65,279,988	67,942,175
Tax Equalization Fund Credit	-4,133,997	-4,133,988	-5,144,705
Working Capital Fund	--	--	1,530
Tax Equalization Fund Reduction	--	--	-1,080,000
Total Requirements	61,145,990	61,146,000	61,719,000

Explanation of Estimate

The 1986-1987 biennial expenditure budget of $605,327,400 represents an increase of $23,587,500 over the preceeding 1984-1985 bienniel expenditure budget of $581,739,900. Offset against this is $61,790,000, composed of $56,790,000 from miscellaneous income and $5.0 million from program support cost reimbursement, thus making an assessment budget of $543,537,400 for the biennium. The organization's effective working budget (expenditure budget less Tax Equalization Fund and Undistributed Reserve) is a 4.46 percent increase over the 1984-1985 effective working budget as follows: mandatory cost increases and inflation of 12.04 percent are offset by exchange rate savings of 7.58 percent. The budget provides for zero real program growth.

The United States share of the assessment budget is 25 percent or $67,942,175 in each year of the biennium. From this, a U.S. credit in the Tax Equalization Fund of $5,144,705 is deducted, an assessment of $1,530 is added for the Working Capital Fund and an additional tax reduction of $1,080,000 is applied, for a net U.S. FY 1987 contribution of $61,719,000. The fiscal year 1987 request is intended to meet the U.S. assessment for the calendar year 1986.

Purpose and Benefits to the United States

The objective of the World Health Organization (WHO) since its formation in 1948 has been to obtain for all people the highest possible level of health. Its programs and priorities conform to and promote United States objectives in the field of international health and provides significant benefits for the United States.

U.S. participation in WHO -- in addition to its financial contributions -- includes consultations with WHO officials, the exchange of health and scientific data, the loan of health experts, participation in seminars and expert advisory committees, collaboration in research, and a variety of other cooperative measures that have substantial benefit for U.S. health policy. The U.S. has a significant voice in the policies and programs of the Organization through participation in WHO's 30-member Executive Board and its nine-member Program Committee. The U.S. also benefits from WHO programs that set international standards, collect vital health statistics, exchange inforantion, serve to protect U.S. travelers in other countries through knowledge of foreign health conditions, and expend opportunities for important medical research by U.S. health scientists.

One WHO priority which the U.S. strongly supports is the development of primary care health systems that can make preventive techniques and basic health care available to the rural and urban poor. The primary health care concept has become the centerpeice of WHO's effort to achieve its goal of "Health for All by the Year 2000," focusing on a community-based framework of programs that include basic sanitation, safe water, nutrition, safe food storage, and immunization. WHO is also working with member governments on improvement of maternal and child health services programs, including family planning services.

WHO also works with member governments to eradicate or control contagious diseases which threaten human life and which know no national boundaries. The WHO smallpox campaign has been a dramatic success. The expanded program on immunization aims at making available by 1990 protection for all children of the world against the six major child diseases -- diptheria, whooping cough, measles, tetanus, tuberculosis and polio. WHO is placing renewed emphasis on controlling malaria, a disease which has reasserted itself in alarming numbers of cases in several areas of the world. Other parasitic diseases receiving attention are schistosomiasis, river blindness and sleeping sickness, which cause misery to millions of people around the world.

Statutory Authorization

Public Law 643, 80th Congress, approved June 14, 1948; Public Law 807, 81st Congress, approved September 21, 1950; Public Law 655, 83rd Congress, approved August 26, 1954; Public Law 138, 84th Congress, approved July 8, 1955 (22 U.S.C. 290 - 290e). World Health Organization Constitution entered into force with respect to the United States June 21, 1948 (T.I.A.S. 1808).

WORLD INTELLECTUAL PROPERTY ORGANIZATION
Geneva, Switzerland

1987 Decrease: -$66,000

Summary of Estimates	Actual FY 1985 (CY 1984)	Estimate FY 1986 (CY 1985)	Estimate FY 1987 (CY 1986)
1. Paris Union	$210,324	$257,000	$226,000
2. Nice Union	18,469	23,000	20,000
3. Strasbourg Union	96,721	117,000	110,000
4. Patent Cooperation Treaty	82,529	100,000	75,000
Total Requirements	408,043	497,000	431,000

Purpose and Benefits to the U.S.

The World Intellectual Property Organization (WIPO) is responsible for the promotion of the protection of intellectual property throughout the world through cooperation among States, and for the administration of various "Unions," each founded on a multilateral treaty and dealing with the specific legal and administrative aspects of intellectual property.

Intellectual property comprises two main branches: industrial property, chiefly in inventions, trademarks, designs, and appellations of origin, and copyright, chiefly in literary, musical, artistic, photographic and cinematographic works.

The present membership of WIPO and the 15 Unions is 114 States, although membership in any single Union may be considerably smaller. The Secretariat is not a distinct item in our budget request for WIPO. It is included in the request for the Unions established under the Conventions to which the United States adheres.

The U.S. currently pays assessments in four conventions which protect, or facilitate the protection of, inventions, trademarks, and other forms of intellectual property for which WIPO is the Secretariat. The U.S., as a prime source of intellectual property is a major beneficiary of the protections offered through the Unions.

The WIPO Secretariat functions include preparation for meetings of the WIPO member countries and of the various Unions for which WIPO is the Secretariat, promotion of increased international cooperation among members in the intellectual property field, collection and dissemination of information of all kinds relating to intellectual property, function as depository of most of the Conventions for which WIPO is the Secretariat, and registration of international rights in the fields of patents under the Patent Cooperation Treaty and trademarks under the Nice Agreement.

(1) Paris Union for the Protection of Industrial Property

1987 Decrease: -$31,000

Computation of Estimate	Actual FY 1985 (CY 1984)	Estimate FY 1986 (CY 1985)	Estimate FY 1987 (CY 1986)
Expenditure Budget (in Swiss Francs)	11,331,000	11,331,000	12,717,000
Other Income and Adjustments	-788,500	-788,500	-692,500
Assessment Against Members	10,542,500	10,542,500	12,024,500
United States Percentage Share	4.82%	4.84%	4.70%
United States Assessment	507,828	509,791	565,059
Working Capital Fund	24,085	24,178	23,496
Total United States Requirement	531,913	533,969	588,555
Estimated Foreign Currency Exchange Rate Shortfall	--	--	-118,475
U.S. Payment in Swiss Francs	531,913	533,969	470,080
Total Requirements	$210,324 a/	$257,000 b/	$226,000 b/

a/ At an exchange rate of (approx.) 2.53 Swiss Francs to $1.00.

b/ At an exchange rate of (approx.) 2.08 Swiss Francs to $1.00

Explanation of Estimate

The estimated expenditure budget for the Paris Union is 12,717,000 Swiss Francs for the Calendar year 1986, one-half of the 1986-1987 biennium expenditure budget of 25,434,000 Swiss Francs, which is a 12.2 percent increase over the 22,662,000 Swiss Franc expenditure budget for the 1984-1985 biennium. The growth is due primarily to inflation and salary increases.

The United States share of the assessment budget is 4.70 percent or 565,059 Swiss Francs. In addition, there is an estimated Working Capital Fund payment of 23,496 Swiss Francs, resulting in a total U.S. assessment of 588,555 Swiss Francs. However, continuously falling exchange rates cause an anticipated shortfall of 118,475 Swiss Francs. The U.S. payment is therefore estimated at 470,080 Swiss Francs or $226,000 for calendar year 1986, a decrease of $31,000 from the fiscal year 1986. The fiscal year 1987 request represents requirements towards the U.S. assessment for the calendar year 1986.

Purpose and Benefits to the United States

The Paris Convention of 1883, which established the International Union for the Protection of Industrial Property; is the principal worldwide agreement in this field. The Convention applies to industrial property in the widest sense, including not only inventions, trademarks, service marks and industrial designs, but also utility models (a kind of "small patent" found in a few countries), trade names (designations under which an industrial or commercial activity is carried on), indications of source, appellations of origin, and the repression of unfair competition.

The substantive provisions of the Convention fall into three main categories: national treatment, right of priority, common rules. Under the provisions on national treatment or assimilation, the Convention provides that, as regards the protection of industrial property, each contracting State must grant the same protection to nationals of the other contracting States as it grants to its own nationals. Nationals of non-contracting States are also protected by the Convention if they are domiciled or have a real and effective industrial or commercial establishment in a contracting State.

This provision and others guarantee not only that foreigners will be protected but also that they will not be discriminated against in any way. This, and other provisions of the Convention assure that U.S. inventors and exporters receive at least minimum protection for their patented inventions and trademarks in the 88 other member states.

Statutory Authorization

P.L. 86-614 approved July 12, 1960, as amended by P.L. 88-69 approved July 19, 1963, as amended by P.L. 92-511 approved October 20, 1972 (22 U.S.C. 260f), as further amended by P.L. 98-164 approved November 22, 1983. Stockholm revision to the Paris Convention for Protection of Industrial Property, Senate consent to ratification February 28, 1970 (T.I.A.S. 6923), as amended by P.L. 98-164 approved November 22, 1983.

(2) Nice Union on the International Classification for Registering Trademarks

1987 Decrease: -$3,000

Computation of Estimate	Actual FY 1985 (CY 1984)	Estimate FY 1986 (CY 1985)	Estimate FY 1987 (CY 1986)
Expenditure Budget (in Swiss Francs)	667,500	667,500	769,500
Other Income and Adjustments	-41,500	-41,500	-66,000
Assessment Against Members	626,000	626,000	703,500
United States Percentage Share	7.40%	7.40%	7.37%
United States Assessment	46,301	46,301	51,880
Estimated Foreign Currency Exchange Rate Shortfall	--	--	-10,280
U.S. Payment in Swiss Francs	46,301	46,301	41,600
Total Requirements	$18,469 a/	$23,000 b/	$20,000 b/

a/ At an exchange rate of (approx.) 2.57 Swiss Francs to $1.00

b/ At an exchange rate of (approx.) 2.08 Swiss Francs to $1.00

Explanation of Estimate

The calendar year 1986 expenditure budget for the Nice Union is expected to be 769,500 Swiss Francs, half of the 1986-87 biennium expenditure budget of 1,539,000 Swiss Francs, which is an 15.3 percent increase over the 1,335,000 Swiss Francs expenditure budget for the 1984-85 biennium. The growth is due primarily to inflation and built-in salary increases.

The U.S. share of the assessment budget is 7.37 percent or 51,880 Swiss Francs. However, continuously falling exchange rates cause an anticipated shortfall of 10,280 Swiss Francs. The U.S. payment is therefore estimated at 41,600 Swiss Francs or $20,000 which will be paid from fiscal year 1987 funds. The fiscal year 1987 request is a decrease of $3,000 from the fiscal year 1986. The fiscal year 1987 request represents requirements toward the U.S. assessment for the calendar year 1986.

Purpose and Benefits to the United States

The Nice Agreement provides for the classification of goods and services for the purpose of registering trademarks and service marks. The International Trademark Classification consists of 34 listed classes for goods and 8 for services with a comprehensive manual in alphabetical listing. It is the primary trademark classification used in the United States. The Class listings (some 20,000 items) may be amended and supplemented by a Committee of Experts on which each contracting country has one member.

Statutory Authorization

The U.S. Senate gave its advice and consent of ratification of the Nice Agreement on December 11, 1971 (T.I.A.S. 7418).

(3) Strasbourg Union Concerning the International Patent Classification

1987 Decrease: -$7,000

Computation of Estimate	Actual FY 1985 (CY 1984)	Estimate FY 1986 (CY 1985)	Estimate FY 1987 (CY 1986)
Expenditure Budget (In Swiss Francs)	3,564,500	3,564,500	3,903,500
Other Income and Adjustments	-131,000	-131,000	- 40,000
Assessment Against Members	3,433,500	3,433,500	3,863,500
United States Percentage Share	7.06%	7.06%	7.06%
United States Assessment	242,479	242,479	272,846
Working Capital Fund	--	--	11,771
Total United States Requirement	242,479	242,479	284,617
Estimated Foreign Currency Exchange Rate Shortfall	--	--	-55,817
U.S. Payment in Swiss Francs	242,479	242,479	228,800
Total Requirements	$96,721 a/	$ 117,000 b/	$110,000 b/

a/ At an exchange rate of (approx.) 2.51 Swiss Francs to $1.00

b/ At an exchange rate of (Approx.) 2.08 Swiss Francs to $1.00

Explanation of Estimate

The estimated expenditure budget for the Strasbourg Union is 3,903,500 Swiss Francs for calendar year 1986, half of the 1984-1985 biennium expenditure budget of 7,807,000 Swiss Francs, which is a 9.5 percent increase over the 7,129,000 Swiss Francs expenditure budget for 1984-1985. The growth is due primarily to inflation and salary increases.

The U.S. share of the assessment budget, at 7.06 percent, is 272,846 Swiss Francs. The creation of a working capital fund imposed a 11,771 Swiss Franc assessment raising the total U.S. requirement to 284,617 Swiss Francs. However, continuously falling exchange rates cause an anticipated shortfall of 55,817 Swiss Francs. The U.S. payment is therefore estimated at 228,800 Swiss Francs or $110,000 which will be paid from fiscal year 1987 funds. This is a decrease of $7,000 from the fiscal year 1986. The fiscal year 1987 request represents requirements toward the U.S. asessment for the calendar year 1986.

Purpose and Benefits to the U.S.

The Strasbourg Agreement of 1971 provides for the development of a system of international patent classifications applicable to classes of items different from those dealt with by the Locarno Union (op. cit.). The classification system developed and approved by the members of this organization is now used as a secondary classification system for all appropriate registered patents, by the U.S. Patent and Trademark Office.

The Agreement facilitates inclusion of large numbers of foreign patents into the search files of the United States Patent and Trademark Office and expedites processing of patent documents among examining patent offices of the various countries involved in multilateral projects such as the Patent Cooperation Treaty. It is of material assistance in the implementation of United States patent protection.

Statutory Authorization

The U.S. Senate gave its advice and consent to ratification of the Strasbourg Agreement on October 30, 1973 (T.I.A.S. 8140).

(4) Patent Cooperation Treaty Union

1987 Decrease: -$25,000

Computation of Estimate	Actual FY 1985 (CY 1984)	Estimate FY 1986 (CY 1985)	Estimate FY 1987 (CY 1986)
Expenditure Budget (in Swiss Francs)	10,541,000	11,300,000	12,220,500
Other Income and Adjustments	-10,541,000	-11,300,000	-12,220,500
Assessment Against Members	--	--	--
United States Percentage Share	--	--	--
United States Assessment	--	--	--
Working Capital Fund	206,900	195,300	195,300
Estimated Foreign Currency Exchange Rate Shortfall	--	--	-39,300
U.S. Payment in Swiss Francs	206,900	195,300	156,000
1987 Request	$82,529 a/	$100,000 b/	$75,000 b/

a/ At an exchange rate of (approx.) 2.51 Swiss Francs to $1.00

b/ At an exchange rate of (approx.) 2.08 Swiss Francs to $1.00

Explanation of Estimate

There is presently no planned assessment budget for the Patent Cooperation

Treaty Union for calendar year 1986 because the Union anticipates that fee recoveries from increased application filings will meet operating expenses. There is a Working Capital Fund payment of 195,300 Swiss Francs,. However, continuously falling exchange rates cause an anticipated shortfall of 39,300 Swiss Francs. The U.S. payment is therefore estimated at 156,000 Swiss Francs or $75,000 for Calendar Year 1986. This is a $25,000 decrease from Calendar Year 1985.

Purpose and Benefits to the United States

The Patent Cooperation Treaty reduces the duplication of effort involved, both for applicants and national patent offices, in the filing and processing of patent applications for the same invention in different countries. Advantages derived from participation in the Patent Cooperation Treaty include simplification of filing or patent applications in other countries through the use of a standardized format; a larger allowance of time for an applicant to decide upon those countries in which he wishes to obtain patent protection, thereby deferring the time limit for furnishing translations and paying fees in those countries; and facilitation of the examining process in member countries which examine applications for patents. The Patent Cooperation Treaty entered into force for the United States in 1978.

Statutory Authorization

The U.S. Senate gave its advice and consent to ratification of the Patent Cooperation Treaty on October 30, 1973 (T.I.A.S. 8733).

WORLD METEOROLOGICAL ORGANIZATION
Geneva, Switzerland

1987 Decrease: -$265,000

Computation of Estimate	Actual FY 1985 (CY 1984)	Estimate FY 1986 (CY 1985)	Estimate FY 1987 (CY 1986)
Expenditure Budget	$18,750,000	$19,480,000	$17,993,800
Other Income and Adjustments	--	-210,000	--
Assessment Against Members	18,750,000	19,270,000	17,993,800
United States Percentage Share (approx.)	24.51%	24.45%	.24.71%
United States Assessment	4,595,625	4,711,406	4,446,406
Working Capital Fund	594	594	594
Total Requirements	4,596,219	4,712,000	4,447,000

Explanation of Estimate

The Calendar Year 1986 budget, the third of the four-year period (1984-1987) is estimated to be $17,993,800, a decrease of $1,486,200 or 8.3 percent from the previous year. The decrease is attributable primarily to prior year exchange rate gains.

The estimated United States share at 24.71 percent is $4,446,406. Taking into consideration the working capital fund contribution of $594, the total estimated United States requirement is $4,447,000 which will be paid in FY 1987. The FY 1987 request is intended to meet the U.S. assessment for the calendar year 1986.

Purpose and Benefits to the United States

The United States National Weather Service provides weather forecasts and warnings based on information obtained through the World Meteorological Organization's coordinated network of stations, telecommunication systems and forecasting centers. These forecasts and warnings are founded on weather information obtained from all areas of the world and their degree of accuracy is dependent in a large measure on the quality of the information obtained on a worldwide basis. All nations have fundamentally the same basic requirements for reliable weather forecasts and timely weather warnings. However, developed nations, such as the United States, have additional requirements because of the complexity of their economic and social activities and their worldwide involvement. The development of a cooperative, worldwide effort to obtain and communicate necessary meteorological information is a basic objective of the World Meteorological Organization (WMO).

Present international weather observation, communication and data processing facilities are incomplete, particularly for United States needs, and the WMO is actively developing a carefully designed system, the World Weather Watch, to reduce these inadequacies. Beyond this immediate objective, the expansion of the Organization's responsibilities with respect to weather modification, long-range climate studies, hydrology and environmental monitoring, the problem of the impact of weather on agriculture and environmental degradation--all activities in which the WMO has a leading responsibility--are of vital importance to this country.

Statutory Authorization

The World Meteorological Organization Convention, ratification advised by the Senate April 20, 1949 (T.I.A.S. 5947).

Justification of Program and Performance
(dollar amounts in thousands)

Activities: Inter-American Organizations

	1986 Estimate	1987 Request	Increase or Decrease (-)
Inter-American Indian Institute	$ 104	$ 104	$ --
Inter-American Institute for Cooperation on Agriculture	9,639	12,682	3,043
Organization of American States	31,072	42,554	11,482
Pan American Health Organization	26,138	33,410	7,272
Pan American Institute of Geography and History	322	331	9
Pan American Railway Congress Association	25	25	--
Total requirements	67,300	89,106	21,806

Goals and Objectives

The Inter-American Organizations serve U.S. interests primarily as a system for continuing highly successful regional methods for handling hemispheric problems without interference from outside powers or extraneous issues. These organizations settle disputes peacefully, further human rights, and promote cooperation in development assistance in agriculture, technology, science, education, health, and transportation.

Base Program

The Inter-American system is the oldest and most proven regional grouping in the world. The cornerstone is the Organization of American States (OAS), the political component which, through the years, has contributed to the security of member countries and resolved political problems among them as well as providing a useful forum on economic and other issues. The OAS also has major technical assistance programs funded primarily from voluntary contributions by the member states. The Inter-American Commission on Human Rights and the Inter-American Court on Human Rights have been active and successful in promoting human rights observance. The Pan American Health Organization (PAHO), the regional arm of the World Health Organization, continues to eradicate endemic diseases and generally raise health standards in the hemisphere. Programs of the Inter-American Institute for Cooperation on Agriculture (IICA) raise food production, improve animal and plant health, food-processing and distribution. The Pan American Institute of Geography and History (PAIGH) carries out valuable cartographic, geophysic, and oceanographic work of major utility to the U.S. Geological Survey, the Defense Mapping Agency, and the National Ocean Survey. The Inter-American Indian Institute (IAII) serves as a mechanism for collaboration in the promotion of the rights and development of indigenous Indian populations.

INTER-AMERICAN INDIAN INSTITUTE
Mexico, D.F.

1987 Increase: $--

Computation of Estimate	Actual 1985	Estimate 1986	Estimate 1987
Expenditure Budget	$270,207	$270,207	$270,207
Other Income and Adjustments	- 107,440	- 107,440	- 107,440
Assessment Against Members	162,767	162,767	162,767
United States Percentage Share	63.54%	63.54%	63.54%
Total Requirements	103,422	104,000	104,000

Explanation of Estimate

The assessment budget for calendar year 1986 is expected to be the same as in 1984, $162,767. Consequently, no inflation offset or program growth is projected. The other income and adjustments ($107,440), are for extra voluntary contributions of eleven member countries. The United States' share of the assessment budget at 63.54 percent is $104,000.

Purpose and Benefits to the United States

The Inter-American Indian Institute (IAII) is a specialized organization of the Organization of American States (OAS). It assists member governments in their efforts to develop national policies on Indian affairs through the exchange of publications and information, and by the organization of training activities designed to improve the well-being of the Indian population in the Western Hemisphere. It holds seminars, studies the migration patterns, encourages handicrafts, and promotes community development projects among isolated tribes. United States support demonstrates solidarity with the Andean and Central American countries with large Indian populations and provides for US access to these same populations in common efforts to overcome the hardships of their marginal situation.

Statutory Authorization

The Inter-American Indian Institute Convention, ratification advised by the Senate May 26, 1941. (T.S. 978).

INTER-AMERICAN INSTITUTE FOR COOPERATION ON AGRICULTURE
San Jose, Costa Rica

1987 Increase: $3,043,000

Computation of Estimate	Actual FY 1985 (CY 1985)	Estimate FY 1986 (CY 1986)	Estimate FY 1987 (CY 1987)
Expenditure Budget	$34,811,182	$34,811,182	$34,811,182
Other Income and Adjustments	-14,522,100	-14,522,100	-14,522,100
Assessment Against Members	20,289,082	20,289,082	20,289,082
United States Percentage Share	61.64%	61.64%	61.64%
United States Assessment	12,505,410	12,506,000	12,506,000
Tax Equalization Reimbursement	120,000	345,000	120,000
Total U.S. Requirement	12,625,410	12,851,000	12,626,000
Calendar Year 1986 Deferral	--	-3,212,000	3,212,000
Calendar Year 1987 Deferral	--	--	-3,156,000
Total Requirements	12,625,410	9,639,000	12,682,000

Explanation of Estimate

The Inter-American Institute for Cooperation on Agriculture (IICA) adopted a no-increase budget for the 1986-87 biennium in October 1985. The U.S. assessment, at an estimated 61.64 percent, amounts to $12,506,000, the same as in 1986. Beginning with the calendar year 1986, the United States proposes to defer its fourth quarter payment to the following fiscal year. Consequently, the increase of $3,043,000 results from the decrease in tax reimbursement estimates (-$225,000) and an increase of $3,268,000 which includes the calendar year 1986 deferral ($3,212,000) and the $56,000 difference between fourth quarter payments for the calendar years 1986 ($3,212,000) and 1987 ($3,156,000). The fiscal year 1987 request therefore includes twenty-five percent of calendar year 1986 requirements and seventy-five percent of calendar year 1987 requirements.

Purpose and Benefits to the United States

The purpose of the Institute is to "encourage and advance the development of agriculture sciences (within the member states)...through research, teaching, and extension activities in the theory and practice of agriculture and related arts and sciences." At a time when the emphasis of United States policy is to support a larger role for multilateral organizations, the Institute provides an inter-American framework to deal with complex and politically sensitive problems such as rural development and agrarian reform.

In recent years, the program emphasis has been shifting to include, in addition to agricultural research, regional and national extension activities designed to promote national agricultural development in the member states.

Institute programs contribute to better food production and, consequently, portion can be affected on either term obviously by redistributing the influence or redistributing the financial responsibility.

Suggestions have been made in various quarters within the UN system of alternatives that affect both of those terms. So I think in the course of the discussions of this experts group and the course of discussions in the upcoming Special Session of the General Assembly at the end of April, as well as during the next regular General Assembly, these kinds of matters will be discussed.

As you know, our present assessment of 25 percent is in fact one that was established by the Congress. And everybody else's assessment was adjusted. Ordinarily one's assessment is something determined by the General Assembly through a process that works through the Committee on contributions and culminates in action by the General Assembly.

Mr. **Smith**. We had an amendment on the floor, you know, to reduce contributions, and I did not see very much out of the members of this Committee to hold off the amendment. But I did not see much evidence that the State Department got very excited about it either, and the amendment was accepted.

Do you take the position that it is a serious matter, when we get further in arrearage?

Mr. **Keyes**. Well, I think that it has to raise a serious concern. But I think it also depends on what we are trying to accomplish. It is my view that the goal that we should set for ourselves is not reduction in and of itself but reform that will strengthen the organization and make it an organization that is more in our interests.

If that is the goal, then I think steps like the Kassebaum-Solomon Amendment, an environment like the present one of austerity, can in fact be a good thing. This focuses the mind wonderfully on the decisions that need to be taken, to improve the organization.

With those kinds of goals in mind and working within the system, and of course without, to achieve those goals, these can be useful tools. We will be trying to use them as such. I think if the end becomes the reduction in itself, it becomes self defeating in a couple of ways. It seems to me that if we are going to remain part of the organization—and I think there seems to be a general feeling in the public and perhaps even in the Congress that that is so—then I think we have to ask ourselves if we should pay a smaller part of an ever increasing budget and end up late in the day worse off than we were before. We obviously are not simply interested in reducing that assessed proportion. We are interested in addressing the underlying problem that we have in the UN budget which concerns about its usefulness.

I think that at the end of the day it is not a question of whether you spend the money, it is whether you waste it. In times like these where we are having to make choices between security, domestic interests, as well as other foreign policy needs, we cannot justify uses of our funds that are construed as wasteful.

That means it is very important to have within the United Nations a decision-making process, administrative processes, and management and budget processes that have our confidence, that are credible in terms of the kinds of results they achieve for the dollars that we are expending.

With those goals in mind, I think that the prospect of our arrearages needs to be on our minds. But I think it does not have to be a cause of major dismay as long as we are working to achieve a situation in which we will be able to restore our confidence in the organization, an organization where our contribution will again be commensurate to the confidence we have in it.

SUPPORTING THE NEEDS OF OUR PEOPLE

Mr. **Smith**. Well, shorthand for what you said, if I understand it, is in view of our domestic needs, which are for such things as increases in appropriations for prisons, which the Administration has requested, in view of our needs for security which includes the State Department's big increase for security for overseas buildings and personnel, if we have to choose between that and going in arrears a little further, we will be better going in arrears a little further?

Mr. **Keyes**. You have to look at the other side of the equation. One can have debates over the uses of our taxpayers' money. I always put a different gloss on the debates about American money for American purposes benefiting Americans, compared to those that do not directly benefit our citizens. Therefore you have to make it clear to them just how it serves the interest of the country.

It is not clear to me that it serves the interest of the country for instance for us to spend millions of dollars supporting UN organizations in which our interests are abused, damaged and attacked. We spend millions of dollars every year in order to support the Department of Public Information at the United Nations. If you go through a lot of the output of that Department, it tends to be output which not only is not commensurate with our interests and views but seems calculated to damage them.

In other respects it seems to me we certainly do not want to spend money in order to maintain organizations in which the overhead for the organization outweighs the contribution directly made to results, whether it is in the development area or in other areas.

So I think one has to look at the UN budget in terms of what we regard to be its contribution, the things that we consider to be in our interests.

Now, when you say that it does not necessarily mean you have to define those interests narrowly, it is in our interest to contribute to the development of other countries. But the question we have to ask right now is whether the UN is an effective and efficient instrument for achieving those goals, I think in a number of areas we do not think it is.

But we have to work hard to see it made into an instrument that has our confidence. If you have an instrument that has our confidence next to the kind of choices you describe, that is one thing. If you put an instrument that does not have your confidence, I think we are perfectly justified in these times of austerity in giving priority to those services which support the needs of our people.

Mr. **Smith**. What you are saying, if I hear you right, is that it is okay to go in arrears a little bit, or that is better than not having enough money for these other needs that I mentioned?

Mr. **Keyes**. Well, I would say that the arrearages are of less concern perhaps than the prospect of an organization, the U.N. in this particular case, which simply continues on a course of deterioration, and which therefore tends to become an instrument wasteful of our and other member state's resources.

If the goal is to improve the organization, and if going into arrears a bit can help to contribute to that goal, then I think we are obviously doing ourselves and the organization a favor.

Mr. **Smith**. What I understood you to say is that the Kassebaum Amendment and the climate or whatever you call it in the Congress at the present time does contribute to your going to the UN saying we want these kinds of things?

Mr. **Keyes**. I believe that is true, yes, that is what I said.

Mr. **Smith**. That means to go into arrears a little more would be a good place to find some money in this budget?

Mr. **Keyes**. Well, I think that we have to make sure that while we are operating we do not kill the patient. Because the incision is helpful does not mean if you push the incision a little further the heart will survive.

I think we have to make sure that we keep in mind that what we are doing is limited by a constructive purpose. And if it is limited by a constructive purpose, then we are not going to push it to the point where it merely achieves destructive ends.

Mr. **Smith**. At the rate that we are going into arrearages until, what was it, 1992?

Mr. **Keyes**. As I say, depending on a lot of variables, we calculate it will not be until 1992. And we were basing that on what would be a worst case scenario in terms of Gramm-Rudman, which may not materialize.

Mr. **Smith**. We have a few more questions which we shall submit to you and you can answer for the record.

[The questions and the answers submitted thereto follow:]

Questions for the Record Submitted by Mr. O'Brien

International Organizations

Question:

In view of the cuts in the U.S. contribution to the United Nations pursuant to the Gramm-Rudman-Hollings reductions, would you advocate increased or at least continued funding to those U.N. agencies which have shown a willingness to reform the scope and direction of their activities?

a) If so, how might this objective be accomplished within the existing financial constraints?

Answer:

In recognition of existing financial constraints on U.S. contributions as a whole, we have sought to reprogram the Gramm-Rudman-Hollings sequestrations. In making these reporgrammings, we have made proportionally smaller reductions for those organizations most responsive to U.S. interests. Those organizatins least responsive were reduced by proportionally greater amounts.

International Organizations

Question:

I understand that the U.S. has given the United Nations Center of Transnational Corporations notice that we will no longer participate in the Center activities unless certain conditions are met? What are these conditions? Do you have an estimate as to the amount of money that could be saved if the United States elected not to participate in these activities?

Answer:

The United States will only participate in those activities where at a minimum, the Centre:

-- has set terms of reference indicating that the activity will be carried out under the principle of universality, that is, that the Centre will, as appropriate, take into consideration all transnational enterprises, regardless of their ownership or country origin;

-- will seek the cooperation of all relevant countries;

-- will not publish or otherwise make public the results of projects where the lack of cooperation on the part of any country or group of countries would invalidate or seriously distort the work.

The amount of money which the United States will save by not participating in Centre activities is expected to be minimal, approximately $9,000 spent in attending conferences.

International Organizations

Question:

In your view, which international organizations have been most responsive to U.S. calls for reform?

a) What impact will the sequestration of FY 1986 funds pursuant to the Gramm-Rudman-Hollings act have on those organizations which have implemented reforms recommended by the United States?

Answer:

To date, we have not identified specific budget reform measures for the affected specialized agencies to make. Our efforts have been focused on the United Nations in New York. We are awaiting the results of the Group of High Level Intergovernmental Experts which was established by the 40th UN General Assembly to identify measures for improving the administrative and financial functioning of the United Nations. Should the Group's recommendations be acceptable, they could be appropriately adapted to the affected specialized agencies. At that time, we will be determining the responsiveness of agencies to our calls for budgetary reform.

Some agencies have consistently been more responsive to U.S. substantive and budgetary interests than others. For those organizations, we have sought to mitigate the impact of the Gramm-Rudman-Hollings sequestration by reprogramming within the account.

Tuesday, March 11, 1986.

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

WITNESSES

JOSEPH F. FRIEDKIN, U.S. COMMISSIONER

REINALDO MARTINEZ, DIRECTOR OF ADMINISTRATIVE SERVICES, IBWC

Mr. **Dwyer** [presiding]. The first item that we shall consider this afternoon is the Fiscal Year 1987 budget request for the International Boundary and Water Commission, United States and Mexico. The budget request for the Commission is comprised of two separate appropriations, Salaries and Expenses and Construction.

The total request for Fiscal Year 1987 for these items is $14,800,000. This amount represents an increase of $1,826,000 above the amounts appropriated for Fiscal Year 1986 adjusted for sequestration under Public Law 99-177.

We shall insert at this point in the record the entire set of budget justifications submitted in support of this request.

[The justification materials follow:]

International Boundary and Water Commission - United States and Mexico

SALARIES AND EXPENSES

Balanced Budget and Emergency Deficit Control Act of 1985

($000 in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$11,300	-$486	$10,814

-PROGRAM, PROJECT, ACTIVITY DETAIL-

Appropriation	1986 Appropriation	1986 Sequester	1986 Revised
Salaries and Expenses, IBWC	11,300	-486	10,814
[Reimbursement to the City of San Diego]	[1,200]	[-52]	[1,148]
Appropriation Total	11,300	-486	10,814

The information presented above represents the Program, Project or Activities (PPA) and amounts for this appropriation identified in the Presidential order issued February 1, 1986. The amounts reflect the application of the 4.3% reduction to each affected PPA without regard to the current status of funds for specific PPA's. In some instances, funds may have been previously obligated and/or disbursed. In these situations, appropriate action will be taken to assure that adequate funds are available when the President's order becomes effective on March 1.

In the document that follows, the 1986 column reflects amounts appropriated by Congress. The effects of the 1985 Deficit Reduction Act were not received in time to be incorporated within individual budget units.

INTERNATIONAL COMMISSIONS

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

SALARIES AND EXPENSES

For salaries and expenses, not otherwise provided for, including preliminary surveys, [$11,300,000] $10,600,000: Provided, That expenditures for the Rio Grande bank protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the Act approved April 25, 1945 (59 Stat. 89): Provided further, That the Anzalduas diversion dam shall not be operated for irrigation or water supply purposes in the United States unless suitable arrangements have been made with the prospective water users for repayment to the Government of such portions of the cost of said dam as shall have been allocated to such purposes by the Secretary of State [Provided further, That not to exceed $1,200,000 of the amount appropriated in this paragraph shall be available for reimbursement of the city of San Diego, in the State of California, for expenses incurred in treating domestic sewage received from the city of Tijuana, in the State of Baja, California, Mexico]. (Department of States Appropriation Act, 1986.)

Proposed Change:

Funds were earmarked by Congress in the 1986 appropriation for the treatment of Tijuana sewage by San Diego. The current agreement between the United States and Mexico will expire in December 1986. Negotiations with Mexico are currently being conducted to reach agreement which would charge Mexico actual treatment costs for any emergency sewage treatment provided by San Diego.

International Boundary and Water Commission

United States and Mexico, Salaries and Expenses

FY 1987

Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
275	$11,578	275	$11,300	275	$10,600	--	-$700

I. Summary

The International Boundary and Water Commission, United States and Mexico is charged by a series of treaties between the United States and Mexico with the application, regulation, and exercise of the rights and obligations which the two Governments have jointly assumed for the solution of water and boundary problems along the 1900 mile frontier with Mexico. The Commission consists of a United States Section and a Mexican Section. The mission of the U. S. Section is to jointly with the Mexican Section: (1) distribute between the two countries the waters of the boundary rivers; (2) operate international flood control projects along the boundary rivers; (3) operate the international reservoirs for conservation and regulation of Rio Grande waters for the countries; (4) improve the quality of the waters of international rivers; (5) resolve border sanitation problems; (6) develop hydroelectric energy; (7) maintain the river boundaries; and (8) demarcate the land boundary. The activities of the U. S. Section are performed under general policy determination by the President and the Secretary of State, and authorization of the Congress. The objective is to carry out the actions in a manner which will benefit the peoples on both sides of the boundary, and improve relations between the two countries.

II. Current Programs

In 1986, the U. S. Section jointly with the Mexican Section executed the provisions of the existing boundary and water treaties and agreements between the United States and Mexico, including the distribution between the United States and Mexico of millions of acre-feet of waters of the boundary rivers, the Rio Grande and of the Colorado River, without a problem; safeguarded lives and properties in both banks of the Rio Grande and Colorado River against flood waters; provided a full supply of domestic, municipal and irrigation waters to the peoples in both countries dependent upon the boundary rivers including more than 2.6 million acres of agricultural lands on both banks; maintained the quality of the waters of the boundary rivers; made progress toward solving the border sanitation problems; developed hydroelectric energy for the two countries at the international dams; and maintained the river and land boundaries. The activities of the U. S. Section protected the rights of the United States in existing boundary treaties and other agreements with Mexico and included consultations with local, state, and federal domestic authorities regarding domestic concerns relating to international water and boundary matters.

III. 1987 Plans

The budget request for 1987 of $10,600,000 for the Salaries and Expenses appropriation, reflects a net decrease of $700,000 from 1986. This net decrease is the result of wage and price increases for the United States Section's administration, engineering, operation and maintenance of the United States' portion of 12 joint projects with Mexico, and termination of a $1,200,000 reimbursement to the City of San Diego for treatment of sewage from the City of Tijuana, Mexico.

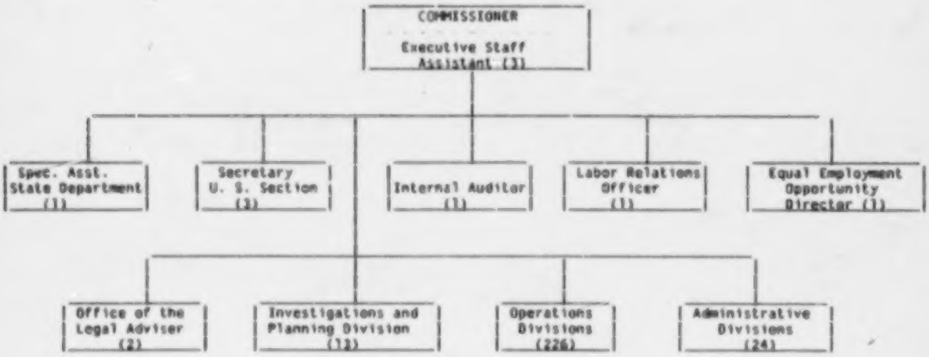
In 1987 the Commission plans to jointly investigate, determine, and report on the most feasible measures for solving the border sanitation problems from the cities of Tijuana, Mexicali, Baja California, Nogales, Naco, Sonora, Nuevo Laredo, and Tamaulipas and to assist with the Environmental Protection Agency in the efforts to reach a solution to these problems.

International Boundary and Water Commission

United States and Mexico, Salaries and Expenses

FY 1987
Organization Chart

Total Domestic Positions: 275


COMMISSIONER
Executive Staff Assistant (3)
Spec. Asst. State Department (1)
Secretary U. S. Section (2)
Internal Auditor (1)
Labor Relations Officer (1)
Equal Employment Opportunity Director (1)
Office of the Legal Adviser (2)
Investigations and Planning Division (12)
Operations Divisions (226)
Administrative Divisions (24)

International Boundary and
Water Commission, U.S. and Mexico, S&E

FY 1987
SUMMARY OF ACTIVITIES

	POSITIONS				FUNDS ($000s
	Americans				
	Dom.	Ovseas	FSNs	Total Pos.	Total Funds
1986 CURRENT ESTIMATE	275	--		275	$11,300
Built-In Changes	--	--	--	--	-700
1987 CURRENT SERVICES	275	--	--	275	10,600
1987 REQUEST (BUDGET AUTHORITY)	275	--	--	275	10,600
Increase or decrease of 1987 over/from 1986	--	--	--	--	-700

	POSITIONS			FUNDS		
Comparison of Activities	1985 Actual	1986 Estimate	1987 Request	1985 Actual	1986 Estimate	1987 Request
Diplomatic Relations Through International Organizations						
International Boundary & Water Commission U.S. & Mexico						
Administration	36	36	36	$1,471	$1,378	$1,476
Engineering	40	40	40	1,524	1,468	1,560
Operation And Maintenance						
Gaging Stations	38	38	38	1,387	1,189	1,268
Dams	46	46	46	1,408	1,481	1,577
River Channel And Levee Projects	115	115	115	3,785	4,236	4,355
Water Quality Control	--	--	--	1,957	1,521	336
Boundary	--	--	--	46	27	28
Subtotal, Operation And Maintenan	199	199	199	8,583	8,454	7,564
Subtotal, International Boundary & Water Commission U.S. & Mexico	275	275	275	11,578	11,300	10,600
Subtotal, Diplomatic Relations Through International Organizations	275	275	275	11,578	11,300	10,600
Lapses	--	--	--	22	--	--
TOTAL BUDGET AUTHORITY	275	275	275	11,600	11,300	10,600

International Boundary and Water Commission

United States and Mexico, Salaries and Expenses

FY 1987
Justification of Program Activities

Administration

	Positions		Funds
	American	FSN	(in thousands)
1987 Request......................	36	--	$1,476

The American and Mexican Sections administer and implement existing treaties and agreements for solving international boundary and water problems; develop new agreements subject to approval by both Governments on problems arising along the boundary before they become serious international issues.

The base program of the Administration activity is to:

- -- Manage and control the operation and maintenance of twelve international boundary and water projects;
- -- Negotiate agreements and make recommendations to both Governments for resolving boundary and water problems;
- -- Manage and control the construction of new projects approved by both Governments, and;
- -- Manage the United States and Mexican Sections, including organization, programming and supervision of operations and finances.

For 1987, the Administrative objectives are, in addition to continuing the implementation of existing treaties and agreements:

- To jointly investigate, determine, and report to the Department of State and the U. S. Ambassador to Mexico the most feasible measures for solving the border sanitation problems from the cities of Tijuana, Mexicali, Baja California, Nogales, Naco, Sonora, Nuevo Laredo, and Tamaulipas. To assist and cooperate with the Environmental Protection Agency in the efforts to reach a solution to these problems.

International Boundary and Water Commission

United States and Mexico, Salaries and Expenses

- To continue ongoing investigations which define existing and potential problems with Mexico relative to the use of unapportioned streams which cross and groundwaters which lie along the international boundary, with a view toward determining the need for and desirability of agreements with Mexico to avoid potentially serious international problems.

Engineering

	Positions		Funds
	American	FSN	(in thousands)
1987 Request........................	40	--	$1,560

The Engineering activity has the following responsibilities: 1) management and supervision of projects, 2) surveys, studies, and investigations for the analysis and control of ongoing boundary water problems and for the solution of new problems arising along the boundary.

(1) The major activities of this program during 1987, are to: continue the ongoing planning, management, and supervision jointly with the Mexican Section, of operations for the distribution of boundary rivers water in accordance with the treaties; operations of the twelve joint projects to control and utilize waters of the boundary rivers; and the construction of one joint project for preservation of the Rio Grande as the boundary in a 200-mile reach upstream from Presidio, Texas and construction of improvements to two existing projects, a) the Rio Grande Canalization Project, and b) the Nogales International Wastewater Treatment Plant.

(2) This program also includes the objective of making substantial progress with Mexico in the solution of the border sanitation problems at Mexicali, Tijuana, Nogales, Naco, and Nuevo Laredo. It funds reports and recommendations to the Department of State on the utilization by the United States and Mexico of the waters of six streams that cross the Arizona and California land boundaries with Mexico; and utilization in each country of the underground waters in several common groundwater basins situated along the boundary.

Operations and Maintenance

	Positions		Funds
	American	FSN	(in thousands)
1987 Request........................	199	--	$7,564

International Boundary and Water Commission

United States and Mexico, Salaries and Expenses

The Operations and Maintenance activity includes field and office work required to measure and determine national ownership of boundary rivers water, storage and regulation of boundary rivers, protection of lives and properties on both banks from flooding by boundary rivers, controlling the quality of boundary waters, generating hydroelectric energy for the two countries, and preserving the river and land boundary.

The Operations and Maintenance activity is composed of five elements:

(1) Gauging Stations (38 positions and $1,268,000): This activity consists of gauging with Mexico flows in the 1,200-mile international section of the Rio Grande and the 20-mile similar section of the Colorado River, and of the inflows to and outflows from those sections. This information provides the basic data essential to accounting for national ownership of the waters. The data collected through gauging operations also provides essential data for forecasting floods and flood control operations. For these purposes, 130 gauging stations and related works on U.S. tributaries and diversions are operated and maintained by the U. S. Section on the boundary rivers. In 1987, these operations together with similar operations by Mexico, will fulfill an agreement with Mexico on the international ownership of waters which serve each country's extensive urban and agricultural areas.

(2) Dams (46 positions and $1,577,000): Pursuant to the 1944 Water Treaty, the Governments of the United States and Mexico jointly operate and maintain two major storage dams and reservoirs on the Rio Grande. The Falcon Dam and Reservoir is downstream from Laredo, Texas and the Amistad Dam and Reservoir is upstream from Del Rio, Texas. The dams were jointly constructed for purposes of conserving, storing and regulating the greatest quantity of annual water for utilization by each country within its treaty allotment of waters. The U. S. work consists of operating the gates, the hydro-electric power generating plants on the U. S. side, maintenance of the dams and spillway structures and housing and utilities for operating personnel employed at the dam.

(3) River Channel and Levee Projects (115 positions and $4,355,000): This activity consists of the operation and maintenance of the U. S. part of five joint river channel and levee projects located along the boundary rivers which protect adjoining urban and irrigated agricultural areas. These projects are:

A joint project for protection against river floods for the cities of El Paso, Texas and Juarez, Chihuahua; developed lands downstream through the El Paso-Juarez Valley, and the project upstream from El Paso through the Mesilla and Rincon Valleys. The works comprise 170 miles of channel and leveed floodways on the United States side, including two diversion dams.

A joint Presidio-Ojinaga Flood Control Project to provide protection against Rio Grande floods for Presidio, Texas and adjacent agricultural lands in the Presidio Valley.

A joint Lower Rio Grande Flood Control Project to protect the cities of Brownsville, Harlingen, McAllen and others, as well as the irrigated lands of the Lower Rio Grande Valley of Texas. The U. S. part consists of 180 miles of leveed river floodway and 132 miles of leveed interior floodways all located on the U. S. side of the Rio Grande.

International Boundary and Water Commission

United States and Mexico, Salaries and Expenses

Maintenance of the natural channel and floodway of the Lower Colorado River to preserve its capacity to carry floodwaters without overtopping the levees. The U. S. part consists of the 20 miles of the channel and floodway in the boundary section of the river.

A joint Tijuana Flood Control Project, completed in 1979, to protect the city of San Ysidro, California and the part of Tijuana, Baja California near the boundary. The U. S. part consists of a concrete and rocklined channel and levees extending from the international boundary about one mile into the United States.

~~In 1987~~ the operations and maintenance required on the described projects consists of diversion structures, clearing the levees and floodway of vegetation growth which would obstruct floodways, maintenance of levee roads to assure access to problem areas during a flood, and maintenance of the river channel by removal of sand and silt deposits which would otherwise reduce capacity to carry floodwaters. The operations are for the most part recurring.

(4) Water Quality Control ($336,000): The two Governments operate and maintain two joint projects. One is the international Nogales Sewage Treatment Plant for treatment of the wastewaters from the adjoining border cities of Nogales, Sonora and Nogales, Arizona, for which the operation and maintenance costs are shared by the Mexican Government and the city of Nogales, Arizona in proportion to the quantities of sewage from each side. Part of the costs for treating sewage from the Mexican city is partly funded by the U. S. Government. Funds are provided for higher treatment requirements and higher costs of treatment in the United States over such costs in Mexico. Funds are paid to the city of Nogales, Arizona, which operates and maintains the project. The second is a joint project for improving the salinity of water from the Lower Rio Grande. This project was constructed on the Mexican side of the river and serves to prevent highly saline waters from entering the Rio Grande, thereby improving the quality of its waters. The construction and operation and maintenance costs were equally divided. The objectives for 1987, as for past years, are to operate the first project to assure that wastewaters do not create a health hazard, and the second, to prevent saline water from impairing the use of Rio Grande water in the two countries.

(5) Boundary ($28,000): The Commission is charged by treaties with the maintenance and preservation of 1,200 miles of Rio Grande and 20 miles of the Colorado River as the international boundary between the two countries, and with the maintenance of the monuments that mark the location of approximately 750 miles of land boundary between the two countries. The work consists of field checks to guard against man-made obstructions that might cause a change in the location of the boundary, periodic aerial photographic mapping to record natural changes in the course of the rivers, and maintenance of the land boundary monuments including installation of intermediate markers where needed to clearly delineate the location of the boundary. The costs of such operations and maintenance are equally divided with Mexico. The objective in 1987 is to continue to preserve the demarcation of the boundary in a cost effective way.

International Boundary and Water Commission
United States and Mexico, Salaries and Expense

Summary Listing of 1987 Requirements: Non-Recurring Costs, Annualization, Wage and Price

	Positions				Funds
	Americans				
	Dom	O'seas	FSN	Total Pos.	Bureau Managed Only
1986 Estimate...........	275	--	--	275	$11,300
Decreases					
Term. of reimb. to San Diego	--	--	--	--	-1,200
Subtotal, Decreases	--	--	--	--	-1,200
Increases					
Wage:					
1. Benefits	--	--	--	--	16
2. Within Grades	--	--	--	--	73
Subtotal, Wage Incr.	--	--	--	--	89
Price:					
1. Air Fares	--	--	--	--	24
2. Equip.,Svcs.& Utilities	--	--	--	--	338
3. Supplies & Mat.	--	--	--	--	32
4. Printing	--	--	--	--	2
8. Grants	--	--	--	--	15
Subtotal, Increases	--	--	--	--	411
TOTAL, Decreases & Increases	--	--	--	--	-700
1987 Request............	275	--	--	275	$10,600

International Boundary and Water Commission
United States and Mexico, Salaries and Expense

Explanation of 1987 Requirements

DECREASES

San Diego Sanitation, -$1,200,000. Decrease of reimbursement to the City of San Diego for treating and disposing of sewage from Tijuana, Baja California, Mexico. The anticipated completion of the water quality treatment project in 1987 justifies terminating the San Diego reimbursement agreement.

INCREASES

Health and Within Grade Increases, $89,000. This increase includes $16,000 for the U. S. Government contribution for increased payments to the Federal Employees' Health Benefits Program effective January, 1987 and $73,000 increase for within grade salary increases in 1987.

Price Increases, $411,000. The following increases fund price adjustments for: airfares ($24,000); equipment, services & utilities ($338,000); supplies & materials ($32,000); printing ($2,000); and grants ($15,000).

International Boundary and
Water Commission, U.S. and Mexico, S&E

FY 1987
REQUIREMENTS BY OBJECT CLASS
(dollars in thousands)

Object class	1985 Actual	1986 Estimate	Current Services Adjust	Current Services	Program Changes	1987 Request	1987 Inc/Dec Ovr 1986
Personnel Comp....	$6,136	$6,281	$66	$6,347	--	$6,347	$66
Personnel Benefits	874	998	23	1,021	--	1,021	23
Travel & Trans....	100	97	8	105	--	105	8
Trans. of Things..	370	374	16	390	--	390	16
Rent,Com & Utility	117	143	6	149	--	149	6
Printing & Repro..	25	22	2	24	--	24	2
Other Services....	232	225	10	235	--	235	10
Suppl & Materials.	753	761	32	793	--	793	32
Equipment.........	1,017	847	322	1,169	--	1,169	322
Lands & Structures	12	31	--	31	--	31	--
Grants............	1,942	1,521	-1,185	336	--	336	-1,185
TOTAL OBLIGATIONS	11,578	11,300	-700	10,600	--	10,600	-700
Unobligated balanc	22	--	--	--	--	--	--
TOTAL BUDGET AUTH.	11,600	11,300	-700	10,600	--	10,600	-700

International Boundary and Water Commission - United States and Mexico

CONSTRUCTION

Balanced Budget and Emergency Deficit Control Act of 1985

($000 in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$2,257	-$97	$2,160

-PROGRAM, PROJECT, ACTIVITY DETAIL-

1970 Boundary Treaty Project	1,257	-54	1,203
Nogales Int'l Wastewater Treatment	1,000	-43	957
Appropriation Total	2,257	-97	2,160

The information presented above represents the Program, Project or Activities (PPA) and amounts for this appropriation identified in the Presidential order issued February 1, 1986. The amounts reflect the application of the 4.3% reduction to each affected PPA without regard to the current status of funds for specific PPA's. In some instances, funds may have been previously obligated and/or disbursed. In these situations, appropriate action will be taken to assure that adequate funds are available when the President's order becomes effective on March

In the document that follows, the 1986 column reflects amounts appropriated by Congress. The effects of the 1985 Deficit Reduction Act were not received in time to be incorporated within individual budget units.

CONSTRUCTION

For detailed plan preparation and construction of authorized projects, to remain available until expended, [$2,257,000.] *$4,900,000: Provided, That activities for the New River Project may be financed from these funds or from carry over balances. (Department of State Appropriation Act, 1986.)*

International Boundary and Water Commission
United States and Mexico, Construction

FY 1987
Summary Statement

(dollars in thousands)

1985 Estimate		1986 Estimate		1987 Request		Incr./Decr. (-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
9	$2,400	9	$2,257	9	$4,200	--	$1,943

I. Summary

The construction program of the Commission is pursuant to treaty and other agreements in force between the United States and Mexico, and Acts of Congress. The Convention of February 1, 1933, provided for rectification of the Rio Grande through the El Paso-Juarez Valley, the first major joint construction project of the two Governments. In the Water Treaty of 1944, relative to the utilization by the United States and Mexico of the Colorado and the Tijuana Rivers and of the Rio Grande, the two Governments agreed to jointly construct the dams required for the conservation, storage, and regulation of the greatest quantity of the annual flow. This treaty also provides for flood control and other works on the Rio Grande and the Colorado and Tijuana Rivers, and for preferential attention by the two Governments to border sanitation problems. The Boundary Treaty of 1970 provides for resolution of all pending boundary disputes and established procedures and provides for construction of works to avoid future disputes.

II. Current Programs

In 1986, the United States Section will: (1) Continue the joint construction with Mexico of the Boundary Preservation Project to restore and preserve the character of the Rio Grande as an international boundary in the area downstream from Fort Quitman, Texas, to Presidio, Texas. This project should be approximately 71% complete in 1986. (2) Complete improvements needed in the Rio Grande Canalization Project in the El Paso-Juarez Valley, to assure a degree of flood protection commensurate with increased developed urban and agricultural areas in the Valley since construction of the Project in the 1940s. (3) Initiate the plans and design for expansion of the Nogales International Wastewater Treatment Plant in Nogales, Arizona. (4) Continue in the clean-up of New River pollution, a joint project with Mexico.

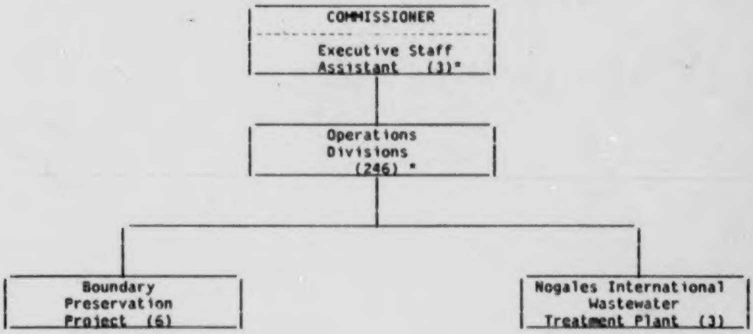
III. 1987 Plans

The request for 1987 includes $3,000,000 to complete construction of the Nogales Wastewater Treatment Plant. Completion of the plant will provide for handling of 5.5 million gallons per day and secondary treatment with nutrient removal capabilities. Rapid population growth in the sister cities (Nogales) during recent years requires increased plant capacity.

Construction on the river channels will minimize shifting, restore and preserve the Rio Grande and the Colorado River as the international boundary. The 1987 request for boundary projects is $1,200,000.

International Boundary and Water Commission
United States and Mexico, Construction

FY 1987
Organization Chart
Total Domestic Positions: 9


COMMISSIONER
Executive Staff Assistant (3)*
Operations Divisions (246) *
Boundary Preservation Project (6)
Nogales International Wastewater Treatment Plant (3)

*Positions included in Salaries and Expenses

International Boundary and
Water Commission, U.S. and Mexico, Construction

FY 1987
SUMMARY OF ACTIVITIES

	POSITIONS				FUNDS
	Americans				($000s
	Dom.	Ovseas	FSNs	Total Pos.	Total Funds
1986 CURRENT ESTIMATE	9	--	--	9	$2,257
Built-In Changes	--	--	--	--	1,943
1987 CURRENT SERVICES	9	--	--	9	4,200
1987 REQUEST (BUDGET AUTHORITY)	9	--	--	9	4,200
Increase or decrease of 1987 over/from 1986	--	--	--	--	1,943

	POSITIONS			FUNDS		
Comparison of Activities	1985 Actual	1986 Estimate	1987 Request	1985 Actual	1986 Estimate	1987 Request
Diplomatic Relations Through International Organizations						
Construction IBWC U.S. & Mexico						
Tijuana Defensive Measures Project	--	-	--	$153	$89	--
1970 Boundary Treaty Projects	6	6	6	663	2,138	$1,200
Rio Grande Canalization Project	-	--	--	--	740	-
Amistad Dam Power Plant		--	-	172	300	
Nogales International Wastewater Treatment Plant	3	3	3	35	1,165	3,000
New River Project	--	--	--	1	599	--
Subtotal, Construction IBWC U.S. & Mexico	9	9	9	680	5,031	4,200
Subtotal, Diplomatic Relations Through International Organizations	9	9	9	680	5,031	4,200
Net Change in Unobligated Balances	--	--	--	1,720	2,774	--
TOTAL BUDGET AUTHORITY	9	9	9	2,400	2,257	4,200

International Boundary and Water Commission
United States and Mexico, Construction

FY 1987
Justification of Program Activities

1970 Boundary Treaty Projects

	Positions		Funds
	American	FSN	(in thousands)
1987 Request........................	6	--	$1,200

The 1970 Boundary Treaty, signed at Mexico City on November 23, 1970, and effective April 18, 1972, provided for the resolution of all pending disputes over the international boundary along the Rio Grande due to changes in its course. Further, the treaty charges the International Boundary and Water Commission with preserving the character of the Rio Grande and Colorado River as the international boundary and provides for construction of works to avoid future disputes.

The American-Mexican Boundary Treaty Act of 1972 (Public Law 92-549, 86 Stat. 1161) approved October 25, 1972, authorizes:

(1) The work necessary to implement the treaty entitled, "Treaty to Resolve Pending Boundary Differences and Maintain the Rio Grande and Colorado River as the International Boundary between the United States of America and the United Mexican States";

(2) An international flood control project in the Presidio-Ojinaga area, and;

(3) Appropriations necessary to carry out the provisions of the Act.

The following briefly summarizes the work programmed for 1986 and 1987:

Restoration and preservation of the Rio Grande as the international boundary between Fort Quitman and Presidio, Texas. The flows of the Rio Grande at the head of this 200-mile reach have so diminished in recent years, that there is little or no flow in the reach except at infrequent times of flash floods from tributary arroyos. As a result, the channel has been nearly obliterated in places by accumulation of silt and growth of vegetation. Because of this condition, the flash floods tend to cause major changes in the channel and consequent international problems in determining the location of the boundary in this section. To guard against such problems, a joint project was approved by the two governments and has been undertaken to restore and preserve the river channel in the reach to minimize its shifting and thereby preserve the river as the boundary. The total costs are shared equally with Mexico. Engineering and environmental studies have been completed. Construction is scheduled to be completed in 1987.

International Boundary and Water Commission

United States and Mexico, Construction

Nogales International Wastewater Treatment Plant

	Positions		Funds
	American	FSN	(in thousands)
1987 Request........................	3	--	$3,000

The Nogales International Wastewater Treatment Plant, authorized by the Act of August 19, 1935 (22 U.S.C. 277b), originally constructed by the two countries in 1951, pursuant to an agreement with Mexico in 1950 to serve the sister cities of Nogales, Arizona, and Nogales, Sonora, Mexico. In accordance with Commission Minute No. 227, approved by the two Governments, a new enlarged plant was completed in December 1971 to meet the needs of the increasing population of the two cities and EPA standards at a cost of $3.1 million, with the United States Government, the Government of Mexico, and the city of Nogales, Arizona, contributing to the total costs.

In the past 12 years, the populations of the two cities have increased so rapidly that the capacity of the existing plant requires early expansion. Funds were requested in Fiscal Year 1985 in the amount of $100,000 to cover the U. S. costs for preparation of preliminary plans for expansion and $1,000,000 was requested in Fiscal Year 1986 to commence plant expansion. Based on a minimum plant expansion of 5.5 million gallons per day and secondary treatment with nutrient removal the $3,000,000 requested in 1987 is the estimated U. S. share required to complete construction; pending completion of architecture-engineering studies currently underway.

Summary Listing of 1987 Requirements: Non-Recurring, Annualization, Wage and Price

International Boundary and Water Commission

United States and Mexico, Construction

	Positions				Funds
	Americans				
	Dom	O'seas	FSN	Total Pos.	Bureau Managed Only
1986 Estimate............	9	--	--	9	$2,257
Decreases					
Non-Recurring					
1970 Boundary Treaty Project.	--	--	--	--	-57
Subtotal, Decreases	--	--	--	--	-57
Increases					
Nogales International Wastewater Treatment Plant................	--	--	--	--	2,000
Subtotal, Increases	--	--	--	--	2,000
TOTAL, Decreases & Increases	9	--	--	9	1,943
1987 Request............	9	--	--	9	4,200

International Boundary and Water Commission
United States and Mexico, Construction

Explanation of 1987 Requirements

NON-RECURRING

DECREASES

1970 Boundary Treaty Project, -$57,000. The U. S. part of the 1970 Boundary Treaty Projects estimated in 1977 to cost $20,031,000, is approximately 89% complete. The only remaining portion of the project is the Rio Grande Boundary Preservation Project which covers the 200-mile reach from Fort Quitman, Texas to a point above Presidio, Texas. The U. S. part of this project is about 55% complete. In 1986 the U. S. Section plans to spend $1,257,000 on this project. In 1987, $1,200,000 will be required to complete construction of the project.

INCREASES

Nogales International Wastewater Treatment Plant, $2,000,000. In 1972 the joint project of the United States and Mexico for the treatment of sanitary wastewaters from the city of Nogales, Arizona, and the city of Nogales, Sonora was completed. However, because of increasing populations in the two cities, the load of sanitary waste will exceed plant capacity in the near future. Expansion of the plant is inevitable. In 1986 $1,000,000 will be spent to commence construction of this project. An additional $2,000,000 is being requested in 1987 to complete construction of this project.

International Boundary and
Water Commission, U.S. and Mexico, Construction

FY 1987
REQUIREMENTS BY OBJECT CLASS
(dollars in thousands)

Object class	1985 Actual	1986 Estimate	Built-in Changes	Current Services	Program Changes	1987 Request	1987 Inc Ovr 1986
Personnel Comp....	$194	$371	--	$371	--	$371	--
Personnel Benefits	18	49	-$7	42	--	42	-$7
Travel & Trans....	29	60	1	61	--	61	1
Trans. of Things..	20	33	2	35	--	35	2
Rent,Com & Utility	2	5	--	5	--	5	--
Printing & Repro..	4	5	--	5	--	5	--
Other Services....	210	1,142	-846	296	--	296	-846
Suppl & Materials.	149	319	-209	110	--	110	-209
Equipment.........	251	180	-130	50	--	50	-130
Lands & Structures	-197	2,867	358	3,225	--	3,225	358
TOTAL OBLIGATIONS.	680	5,031	-831	4,200	--	4,200	-831
Net Change In Unob	1,720	-2,774	2,774	--	--	--	2,774
TOTAL BUDGET AUTH.	2,400	2,257	1,943	4,200	--	4,200	1,943

Mr. **Dwyer**. We are happy today to have with us Mr. Joseph Friedkin, the United States Commissioner. Commissioner Friedkin, it is a pleasure for us to welcome you here today to testify on behalf of our programs along the boundary of Mexico and the United States.

I understand that you have announced your retirement.

Commissioner **Friedkin**. Yes, sir, I have.

Mr. **Dwyer**. After 50 years of real dedicated public service which all of the Members of the Subcommittee appreciate very much and want to recognize.

Commissioner **Friedkin**. Thank you.

Mr. **Dwyer**. Are you going to take the border with you, do you think?

Commissioner **Friedkin**. No, sir.

General Statement

Mr. **Dwyer**. Proceed at your own pace, sir.

Commissioner **Friedkin**. Thank you, sir.

I appreciate this opportunity to appear before you, Mr. Chairman, to present the appropriation request for the United States Section of the International Boundary and Water Commission, United States and Mexico, for Fiscal Year 1987.

Let me go right to the request. The fiscal year 1987 budget request for the salaries and expenses and construction appropriations is $14,800,000, which is a net increase of $1,243,000 over Fiscal Year 1986 appropriation of $13,557,000. The salaries and expenses appropriation is $10,600,000, a net decrease of $700,000 from Fiscal Year 1986. The construction account is $4,200,000, a net increase of $1,943,000 over Fiscal Year 1986.

The salaries and expenses appropriation finances: (1) the administration of treaties and agreements in force, and the negotiation of new agreements as the need arises; (2) technical guidance, supervision, and investigations required in connection with treaty projects; and, (3) the United States' share of the cost of operation and maintenance of completed joint boundary and water projects with Mexico, along the nearly 2,000-mile boundary.

The net decrease of $700,000 in salaries and expenses for Fiscal Year 1987 is a result of the following:

Termination of a $1,200,000 reimbursement to the city of San Diego for treating and disposing of sewage from Tijuana, Baja California, Mexico since the water quality project was scheduled to be completed in 1986;

$16,000 for increases in health benefits;

$73,000 for within-grade salary increases; and

$411,000 for price level increases of administration, operation and maintenance costs of boundary projects.

The 1987 construction appropriation request is a net increase of $1,943,000 and consists of, one, $57,000 in reductions in the Boundary Treaty and Rio Grande Canalization, and, two, an increase of $2,000,000 for the United States share of the costs to expand the Nogales International Wastewater Treatment Plant.

The construction appropriation will fund the following projects: $1,200,000 to complete the construction for the United States portion of the 1970 Boundary Treaty project for preservation of the character of the Rio Grande as the international boundary in the nearly 200-mile reach downstream from Fort Quitman to Presidio, Texas. This is authorized by the American-Mexican Boundary Treaty Act of 1972.

$3,000,000 for the Nogales International Wastewater Treatment Plant. These funds are to cover the balance of the United States share of the costs to complete construction on the plant expansion. The total United States share when the project is completed is estimated at $4,100,000 of which $1,000,000 was provided for in 1986 and $100,000 in 1985.

Mr. Chairman, this concludes my statement, sir. I would be pleased to respond to any questions that you may have.

[The prepared statement of Commissioner Friedkin follows:]

DEPARTMENT OF STATE

FY1987 BUDGET ESTIMATES

STATEMENT OF

JOSEPH F. FRIEDKIN, UNITED STATES COMMISSIONER

Before

THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS

for

COMMERCE, JUSTICE, STATE, THE JUDICIARY
AND RELATED AGENCIES APPROPRIATIONS

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

Mr. Chairman and Members of the Committee:

I appreciate this opportunity to appear before you to present the appropriations request for the United States Section of the International Boundary and Water Commission, United States and Mexico, for Fiscal Year 1987.

This Commission, created by the Treaty of 1889 between the United States and Mexico, is charged by a series of treaties between the two Governments with a specific program for the joint resolution of Boundary and Water problems arising along the nearly 2,000-mile boundary between the United States and Mexico. The Commission consists of a United States Section and a Mexican section, each headed by a Commissioner. The Commissioner for the United States Section functions under the policy direction of the Department of State, and the Commissioner of the Mexican section under the direction of the Secretariat of Foreign Relations. The activities of the United States Section are conducted pursuant to authorizations by the Congress.

The specific mission and responsibilities of the Commission, which are international in character and require the joint cooperation of the United States and Mexico, include: 1) the distribution of the waters of the of the international rivers between the two countries in accordance with treaties for the municipal and domestic supply for more than a million people along the border and for irrigation of 2.6 million acres of farm lands on both sides; 2) joint flood control operations for protection of the people and developments along the border; 3) operation of major international reservoirs for conservation and regulation of waters of the Rio Grande to supply the water needed by the people for consumption and irrigation; 4) improve the quality of the boundary waters; 5) developing solutions to the border sanitation problems in order to safeguard the public health of people along the border; 6) development of hydro-electric energy at international dams; and 7) maintenance of river boundaries and demarcation of the land boundary, to guard against boundary disputes.

The objective of the Commission is to fulfill these responsibilities in a cost effective manner which benefits the social and economic welfare of people on both sides of the boundary and improve relations between Mexico and the United States.

The fiscal year 1987 budget request for the Salaries and Expenses and Construction appropriations is $14,800,000, which is a net increase of $1,243,000 over the fiscal year 1986 appropriated amount of $13,557,000. The Salaries and Expenses appropriation is $10,600,000, a net decrease of $700,000 from fiscal year 1986. The Construction account is $4,200,000, a net increase of $1,943,000 over fiscal year 1986.

The Salaries and Expenses appropriation finances: 1) the administration of treaties and agreements in force, and the negotiation of new agreements as the need arises; 2) technical guidance, supervision, and investigations required in connection with treaty projects; and 3) the United States' share of the operation and maintenance of completed joint boundary and water projects with Mexico along the nearly 2,000-mile boundary.

The net decrease of $700,000 in Salaries and Expenses for fiscal year 1987 is a result of the following:

-- Termination of a $1,200,000 reimbursement to the City of San Diego for treating and disposing of sewage from Tijuana, Baja California, Mexico, since the water quality treatment project is scheduled to be completed in 1987;

- -- $16,000 for increases in Health Benefits;
- -- $73,000 for within-grade salary increases; and
- -- $411,000 for price level increases of administration, operation and maintenance costs of boundary projects.

The 1987 Construction appropriation request is a net increase of $1,943,000 and consists of 1) $57,000 in reductions to Boundary Treaty projects and Rio Grande Canalization, and 2) an increase of $2,000,000 for the U.S. share of the costs to expand the Nogales International Wastewater Treatment Plant.

The Construction appropriation will fund the following projects:

- -- $1,200,000 to complete the construction for the United States' portion of the 1970 Boundary Treaty project for preservation of the character of the Rio Grande as an international boundary in the 198-mile reach downstream from Fort Quitman to Presidio, Texas. This is authorized by the American-Mexican Boundary Treaty Act of 1972 (Public Law 92-549, 86 Stat. 1161) approved October 25, 1972.

-- $3,000,000 for the Nogales International Wastewater Treatment Plant. These funds are to cover the balance of the United States' share of the costs to complete construction work on the plant expansion. The total U.S. share when the project is completed is estimated at $4,100,000 of which $1,000,000 was provided in 1986 and $100,000 in 1985.

Mr. Chairman, this concludes my statement. I would be pleased to respond to any questions the Committee might have.

#0376H

GRAMM-RUDMAN-HOLLINGS IMPACT

Mr. **Dwyer**. Thank you, Mr. Friedkin.

I understand a total of $583,000 has been sequestered from your two appropriation accounts for 1986 in the Gramm-Rudman legislation.

Commissioner **Friedkin**. Yes, sir.

Mr. **Dwyer**. Tell us about the impact.

Commissioner **Friedkin**. There is going to be some impact, Mr. Chairman, but we will bear it, of course. We will take it.

Mr. **Dwyer**. Are you going to furlough anyone?

Commissioner **Friedkin**. Yes, sir. We are going to have to make a few releases, some rearrangement in part of our organization.

Mr. **Dwyer**. Well, are you furloughing or are you just going to dismiss some people?

Commissioner **Friedkin**. Oh, yes. It is going to have to be dismissal for a few people.

Not many. We are changing, tranferring offices from one location to another.

Mr. **Dwyer**. Do you think you will be submitting a reprogramming order to accommodate this reduction?

Commissioner **Friedkin**. No, sir, not for this reduction.

REIMBURSEMENT TO SAN DIEGO

Mr. **Dwyer**. The Fiscal Year 1987 budget request reflects a reduction of $1.2 million for reimbursement to the city of San Diego for treating and disposing of sewage from Tijuana. You mentioned that in your statement.

Since your statement, we have had some indication from the State Department that some changes have been made.

Commissioner **Friedkin**. Yes, sir.

Mr. **Dwyer**. Do you want to tell us about that?

Commissioner **Friedkin**. We do have a problem here, and I would like to report to you on it.

Mr. **Dwyer**. Sure.

Commissioner **Friedkin**. The problem is that this reduction, the $1.2 that we asked for in the budget request, relates to the payment to San Diego, California, for treatment of Mexican sewage. I regret to have to report that while we assumed that no payment would be required in 1987, that assumption is no longer valid.

The reasons are: First, we anticipated that Mexico would complete treatment works which it now has under construction and fairly well along, but not sufficiently advanced to eliminate the need for treatment by San Diego of Mexican sewage in 1987.

The second reason is we also anticipated we would be able to reach agreement with Mexico whereby they would pay the full cost of treating Mexican sewage by San Diego. We were unable to reach that agreement.

In these circumstances, we propose—and I would ask favorable consideration—that subject to the rules of notification to the Committee, we be permitted to transfer funds from the agency's construction account to the salaries and expenses account to enable reimbursement to San Diego for costs of treating Mexican sewage.

Mr. Chairman, we have prepared draft appropriation language to authorize such transfers in 1986 and 1987, and we would appreciate your favorable consideration of this language.

Thank you, Mr. Chairman.

Mr. **Dwyer**. Why is that? Did the Mexicans have a change of heart?

Commissioner **Friedkin**. No, sir. As far as the construction side is concerned, they are going ahead with their construction as they agreed to do. But it is not moving as rapidly as we anticipated.

We anticipated that it would be completed at the end of calendar 1986, but it will not be until early, or perhaps the middle of 1987 before it is completed.

MEXICO SEWAGE TREATMENT PLANT

Mr. **Dwyer**. Let me ask one more question.

Upon the completion of the Mexican treatment plant, will they bypass San Diego entirely?

Commissioner **Friedkin**. Yes, sir, they should be able to. Yes, sir.

Mr. **Dwyer**. You say they should be able to.

Commissioner **Friedkin**. Right.

Mr. **Dwyer**. Will they?

Commissioner **Friedkin**. Well——

Mr. **Dwyer**. I mean, are they constructing an outlet from their plant right out to the sea after——

Commissioner **Friedkin**. The outfall from their plant goes directly into the surf, and with the secondary treatment as they have designed, it should be all right with proper operation and maintenance.

Mr. **Dwyer**. San Diego, I would suppose, has the same type of a plant. They have the secondary treatment; then they have a discharge into the sea.

Commissioner **Friedkin**. Yes, sir. Their discharge, however, is what they call a deep ocean outfall. It goes into some 200-foot depth of water.

Mr. **Dwyer**. Because it is carried out further; is that it?

Commissioner **Friedkin**. Because it is carried out further and it discharges into deep water.

Whereas, the Mexican sewage discharges into the surf, but the point of discharge is about a little over five-and-a-half miles south of the boundary.

Mr. **Dwyer**. That is what they call Acapulco style.

Commissioner **Friedkin**. Yes, sir.

Mr. **Dwyer**. Into the surf.

How much money are you going to need to reimburse San Diego?

Commissioner **Friedkin**. I cannot say at this point. I would like to be able to come back with the amount because it is uncertain at this time. I should be able to report back certainly within 30 to 60 days and ask your consideration.

INCREASED REIMBURSEMENT COSTS TO SAN DIEGO

Mr. **Dwyer**. Well, how much are we supplying to San Diego now? I have forgotten that now.

Commissioner **Friedkin**. $1.2 million is what was appropriated in 1986.

Mr. **Dwyer**. That is based on gallonage, I would take it?

Commissioner **Friedkin**. Yes, sir.

Mr. **Dwyer**. Has the gallonage increased in Mexico?

Commissioner **Friedkin**. No, sir. The cost has increased almost 20 percent, the cost to San Diego of treating sewage has increased, as it has in many places.

Mr. **Dwyer**. I guess. Yes. So that it might be a million two plus 20 percent?

Commissioner **Friedkin**. Yes, sir.

NOGALES SEWAGE PLANT EXPANSION

Mr. **Dwyer**. You mentioned Nogales in your statement also, and you are requesting $3 million to cover the balance of the United States cost to complete construction.

What is the status of that project?

Commissioner **Friedkin**. The status of that project is that we are delayed, pending a decision with Mexico on the location of the works to expand the existing international treatment plant.

We hope to reach agreement with Mexico on that in the very near future, and then we will be able to proceed once we have an agreement with Mexico.

STATUS OF CONSTRUCTION ON NOGALES PLANT

Mr. **Dwyer**. What seems to be the reasons they put forth to delay the project? What specific problems do they have?

Commissioner **Friedkin**. The specific problems are that there are two alternative locations for expanding the existing plant to provide the additional capacity needed. The existing plant was built in 1972; it is now used to full capacity.

One location would expand the existing plant at its existing site in the United States. The alternative is for Mexico to build its own plant on the Mexican side, and this is what Mexico has under consideration.

We have presented to Mexico the costs for treating sewage in the plant on the United States side, and now Mexico has under consideration whether it will join in that existing joint plant to expand it, or whether to build its own plant.

Mr. **Dwyer**. So that, if I understand you correctly, you expect to complete your obligation in 1987, but you still have no idea whether the Mexicans are going to complete their obligation?

Commissioner **Friedkin**. Insofar as the construction of works. If Mexico decides to provide the works on its side, if that is determined to be the best course of action—and we are urging Mexico to accept the responsibility for its sewage, we would not need the money requested for expansion of the plant on the U.S. side for Mexico. This is a major question, Mr. Chairman.

Mr. **Dwyer**. And the sewage from this plant flows into what body of water again?

Commissioner **Friedkin**. The sewage is from the Mexican side in Nogales Sonora.

Mr. **Dwyer**. Yes, right.

Commissioner **Friedkin**. And it flows right through the two cities of Nogales, Senora and Nogales, Arizona. They abut one another, right against the boundary. The sewage from the Mexican side flows downhill through the downtown section of Nogales, Arizona, and on down to what is now the existing treatment plant.

Our concern is and has been that if Mexico does not properly operate and maintain its works, there would be a flow of raw sewage coming right down through the middle of Nogales, Arizona.

But at the same time, we are trying to make Mexico responsible for taking care of its own sewage in a way that would not cause pollution on our side.

Mr. **Dwyer**. Well, where does your sewage flow to?

Commissioner **Friedkin**. I am sorry. It flows from the treatment plant down into what is known as the Santa Cruz River which flows on in the United States down past Tucson in the Santa Cruz River.

Mr. **Dwyer**. Does it flow from the southern border in a northerly direction?

Commissioner **Friedkin**. Yes, sir.

Mr. **Dwyer**. Does it then make a swoop and tie into some other river?

Commissioner **Friedkin**. Then it finally goes into the Gila River and then into the Colorado River.

Mr. **Dwyer**. The Colorado. Okay. Then it comes back to Mexico.

Commissioner **Friedkin**. Yes, sir, in the Gulf of lower California.

Mr. **Dwyer**. I see.

Commissioner **Friedkin**. Yes, sir.

Mr. **Dwyer**. But in the meantime, before it comes back to the Gulf in Mexico, we use a lot of that water on its way back.

Commissioner **Friedkin**. Right.

Mr. **Dwyer**. Okay. I wanted to get it firmly set in my mind.

Commissioner **Friedkin**. Of course.

U.S. CONSTRUCTION PLANS

Mr. **Dwyer**. So why do you not just build a treatment plant like you are doing and then arrive at some annual charge for Mexico to put their raw sewage in?

Commissioner **Friedkin**. This is what we are trying to do. This is one of the alternatives that we are trying to work out with Mexico.

Mr. **Dwyer**. Well, then, how can you build your plant if you do not know what type of effluent you are going to get from Mexico? How can you be building the plant?

Commissioner **Friedkin**. This is because we need to reach an agreement with Mexico on what Mexico is going to do, which will determine what, if anything, we have to do.

Mr. **Dwyer**. Well, your statement says you need $3 million to complete your project. You have got your project design. Is your project designed to take untreated sewage from Mexico or treated sewage?

Commissioner **Friedkin**. Untreated sewage.

Mr. **Dwyer**. Untreated. Oh, you designed your project to take untreated sewage?

Commissioner **Friedkin**. This is our present plan. Let me try to clarify this.

Mr. **Dwyer**. Go ahead. That is all right.

Commissioner **Friedkin**. Mexico's cost for the additional capacity needed in the existing plant to treat untreated sewage from Mexico is some four-and-a-half million dollars. We have given that figure to Mexico. The option is for Mexico to continue to discharge untreated sewage into the United States through pipelines to the existing treatment plant.

The other option which Mexico has is to treat its sewage in its own country, in which case there would be treated sewage coming into the United States which would bypass the existing plant in the U.S. if everything goes well.

Mr. **Dwyer**. Oh, I see what you are saying. Then the plant that you are building, you must be anticipating having treated sewage from Mexico because you have to increase all your capacities.

Commissioner **Friedkin**. Yes, sir, with the understanding that we have an existing plant there now, sir, and the existing plant treats untreated sewage from Mexico and Nogales, Arizona.

Mr. **Dwyer**. Yes. But obviously it is insufficient, and this is what you are trying to increase that plant in size——

Commissioner **Friedkin**. Yes, expand plant capacity.

Mr. **Dwyer**. And if I understood you correctly, it will cost Mexico only four-and-a-half million dollars to built a treatment plant?

Commissioner **Friedkin**. Yes, sir.

Mr. **Dwyer**. As against how much of an annual flow rate, you know, if they——

Commissioner **Friedkin**. This is for an additional capacity of about four million gallons a day.

Mr. **Dwyer**. It would seem to me that they might be better off just paying the flow rate.

Commissioner **Friedkin**. Well, this is what we have to work out with Mexico.

BOUNDARY TREATY CONSTRUCTION PROJECT

Mr. **Dwyer**. Good luck.

You are requesting $1.2 million to complete construction of the United States portion of the 1970 Boundary Treaty project. Specifically what will these funds be used for, and will this really be the last time that the Commission has to come to the Congress for appropriation for this project?

Commissioner **Friedkin**. Let me answer the last part first. Yes, sir, it will be the last time. This money will complete that project.

Let me go back and give you a little background. The river in this particular reach is about 200 miles long.

Mr. **Dwyer**. What river are you talking about?

Commissioner **Friedkin**. This is the Rio Grande.

Mr. **Dwyer**. Okay.

Commissioner **Friedkin**. The Rio Grande is the boundary between the United States and Mexico. In this section there has been so little flow through the river because of depletions upstream for irrigation, municipal uses, that there has not been enough water to naturally maintain the natural channel.

Mr. Dwyer. Well, that is helpful to the immigration.

Commissioner Friedkin. Its condition is very bad. In much of this reach it is difficult to locate the river channel and we do not know where the boundary is, which is a problem for Immigration.

So we are authorized, as provided by treaty, to undertake as a joint project with Mexico, with Mexico paying 50 percent of the costs to re-establish the channel of the Rio Grande through the 200 mile reach and to maintain it. We have over 60 percent of that project completed now, and with the funds of '86 and '87, we will complete that project, subject to weather conditions.

Mr. Dwyer. What will the depth of that channel be?

Commissioner Friedkin. It will be a very small channel. The depth of it would be about five to six feet, about a width of 50 feet, just enough to be sure to mark the channel so we know where the boundary is.

Mr. Dwyer. And how will you maintain that channel?

Commissioner Friedkin. Periodically we will have to excavate out the sediments and the brush to maintain the channel as the boundary.

Mr. Dwyer. What have we spent on this channel so far?

Commissioner Friedkin. $5,300,000.

Mr. Dwyer. What has the Mexican government spent on this?

Commissioner Friedkin. Approximately the same—well, their part is to perform half of the work that is required. They have done about as much as we have. Their costs are different from ours, but they are performing their half of the work.

MEXICALI SEWAGE TREATMENT PROBLEM

Mr. Dwyer. You apparently have a sewage problem with the city of Mexicali. That was brought up last year. What has happened there?

Commissioner Friedkin. Yes, sir, and that is still a problem. The two governments have agreed to give priority to the Tijuana problem, which we are, but we are also trying to do what we can with Mexico to encourage them to provide remedial measures to alleviate the situation in Mexicali.

Some work has been done. Mexico has improved certain works in the city of Mexicali.

Mr. Dwyer. We appropriated $300,000 last year. Is that $300,000 still intact?

Commissioner Friedkin. Yes, sir, it is intact.

The reason is we have not been able to reach an agreement with Mexico in which they would match U.S. funds and would perform work that would make a significant improvement in the quality of the water entering the U.S.

Mr. Dwyer. Does that lapse at the end of the fiscal year?

Commissioner Friedkin. No, sir, it is carried over.

Mr. Dwyer It is there until used?

Commissioner Friedkin. Yes, sir.

Mr. Dwyer. Just trying to help you out with the sequestration under Public Law 99-177.

Thank you very much. We have a few more questions which we will submit to you and you can answer for the record.

Commissioner **Friedkin**. Thank you, sir.

[The questions and the answers thereto follow:]

Questions for the Record Submitted by Mr. Regula

Question

The city of San Diego has been grappling for years with the problems of raw sewage from the city of Tijuana. I understand that you are currently involved in negotiations with Mexico for the emergency treatment of sewage from the city. What are Tijuana's plans, however, for the long-term treatment of its sewage?

Answer:

At the urging of the United States, Mexico in the early 1980's began and has completed construction of Stage I of a new sewage disposal system for Tijuana. It consists of a large pumping plant, pressure line and conveyance canal to discharge treated sewage into the ocean surf, 5.6 miles south of the international boundary. Mexico is also currently constructing a treatment plant about 4 miles south of the boundary. The first module of the plant is scheduled to be completed by the end of this year. At that time the emergency treatment by the City should no longer be necessary. The Stage I works are designed to take care of the projected Tijuana sewage load until about 1990. Before then, Mexico plans construction of Stage II treatment and disposal works to enable handling of Tijuana sewage through the year 2000. Negotiations are underway with Mexico to assure that the San Diego area will be protected against Tijuana sewage.

Question

I notice that in your goals for 1987 you plan to further address the sanitation problems that exist among several cities along the U. S./Mexican borders. Is the problem growing in magnitude, and is the Mexico continuing to lack a willingness to cooperate in addressing the problem? What further U. S. actions would you recommend to persuade Mexico that the problem must be addressed?

Answer:

the border sanitation problems are becoming more serious because of the rapidly increasing population of the Mexican border cities. The problem does not appear to be a lack of willingness on Mexico's part to cooperate but rather its lower economic level as compared with that of the United states and consequent lower priority for sewage collection, treatment, and disposal works, and its lower water quality standards to be achieved.

1) For the U. S. Section, International Boundary and Water Commission, to continue to urge Mexico through the Mexican section of this Commission to take the necessary remedial and long-term actions as expedititously as possible to fully correct the problems. 2) Urge the Environmental Protection Agency to continue to similarly press its counterpart in Mexico, the Secretariat of Urban Development and Ecology (SEDUE) on the need to correct the problems. 3) Urge the State Department and the U. S. Embassy in Mexico City to continue to press the Government of Mexico to fully eliminate the causes of pollution in Mexico that adversely affect the United States in accordance with the agreement signed by President Reagan and President de la Madrid on "Cooperation for the Protection and Improvement of the Environment in the Border Area," 14 August, 1983.

Has the Commission been successful in attaining its goal of improving the quality of the waters in the international rivers? What area does the Commission believe could be improved upon in the area of improving water quality?

Answer:

The Commission has been successful in attaining its goal of improving the quality of the waters in the international rivers, the Rio Grande and the Colorado River, with the exception of the sanitary waste discharged to the Rio Grande from the Mexican City of Nuevo Laredo, Tamaulipas, and at times from the U. S. city of Laredo, Texas. The Commission has also been fairly successful in improving the quality of certain of the streams which cross the international boundary. However, the Commission has not yet attained its goal of improving the quality of the streams crossing the boundary from Mexico to the United States at the Tijuana, Baja California; at Mexicali, Baja California; and at Naco, Sonora, for reasons previously described.

The U. S. Section of the Commission believes believes that the area that could be improved upon for improving water quality would be for the Mexican Government to assign a higher priority to the solution of the border sanitation problems, in respect of adequate funding to assure proper construction, operation and maintenance of sewage treatment and disposal works to achieve the quality standards that will protectthe health and welfare of people on both sides of the border. Until such improvements are made by the Government of Mexico, it may be necessary in certain areas along the border and for the United States to provide defensive works in its territory to protect its people from Mexican sewage and in other areas to assist Mexico in financing works in its territory to protect the people on the U. S. side.

Question

One of the Commission's several goals is the development of hydroelectric energy. How many hydroelectric power plants have been completed to date? Are there technological problems which prevent the "wheeling" of power between the two countries?

Answer:

The Commission has constructed and operates two hydroelectric power installations, one at the international Falcon Dam on the Rio Grande where each country has a power plant on its side of the dam, and one at the international Amistad Dam, where the United States has a power plant on its side of the dam and Mexico is constructing one on its side. There are no technological problems preventing "wheeling" of power between the two countries,. At the Falcon power plants there is an "intartie" between the two countries' plants which has been used to convey power from one country to the system of the other. At Amistad where the Mexican power plant is under construction, the "switchyards" are capable of accomodating an "intertie".

TUESDAY, MARCH 11, 1986.

INTERNATIONAL BOUNDARY COMMISSION, UNITED STATES AND CANADA

WITNESSES

DAVID C. FISCHER, U.S. COMMISSIONER

CLYDE R. MOORE, INTERNATIONAL BOUNDARY COMMISSION ENGINEER

CONSTANCE KAUFHOLD, ADMINISTRATIVE OFFICER

Mr. DWYER [presiding]. The next item we will consider today is the Fiscal Year 1987 budget request for the International Boundary Commission, United States and Canada. The request is for $760,000, and Mr. David C. Fischer, United States Commissioner, will be taking his seat momentarily.

Your budget request is for $760,000 which is an increase of $45,000 above the appropriation for Fiscal Year 1986, adjusted for sequestration under Public Law 99-177.

We shall insert the budget justification in support of this request in the record at this point.

[The justification materials follow:]

American Sections, International Commissions

Balanced Budget and Emergency Deficit Control Act of 1985

($000 in thousands)

	1986 Enacted	1986 Sequestered	1986 Revised
International Boundary Commission..	$ 747	-$ 32	$ 715
International Joint Commission.....	3,008	- 129	2,879
Total.........................	$3,755	-$161	$3,594

-PROGRAM, PROJECT, ACTIVITY DETAIL-

Appropriation	1986 Appropriation	1986 Sequester	1986 Revised
International Boundary Commission	$ 747	-$32	$ 715
International Joint Commission			
U.S. Section	2,315	-100	2,215
Special and Technical Investigations	520	-22	498
New Referrals	173	-7	166
[Representation]	[6]	[0]	[6]
Appropriation Total	$3,755	-$161	$3,594

The information presented above represents the Program, Project or Activities (PPA) and amounts for this appropriation identified in the Presidential order issued February 1, 1986. The amounts reflect the application of the 4.3% reduction to each affected PPA without regard to the current status of funds for specific PPA's. In some instances, funds may have been previously obligated and/or disbursed. In these situations, appropriate action will be taken to assure that adequate funds are available when the President's order becomes effective on March 1.

In the document that follows, the 1986 column reflects amounts appropriated by Congress. The effects of the 1985 Deficit Reduction Act were not received in time to be incorporated within individual budget units.

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for, including not to exceed $6,000 for representation, [$3,755,000] *$3,900,000*; for the International Joint Commission, including salaries and expenses of the Commissioners on the part of the United States who shall serve at the pleasure of the President; salaries of employees appointed by the Commissioners on the part of the United States with the approval solely of the Secretary of State; travel expenses and compensation of witnesses; and the International Boundary Commission, for necessary expenses, not otherwise provided for, including expenses required by awards to the Alaskan Boundary Tribunal and existing treaties between the United States and Canada or Great Britain. *(Department of State Appropriation Act, 1986.)*

International Boundary Commission

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr. (-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
7	$747	7	$747	7	$760	--	$13

I. Summary

In their Treaty of 1925, the United States and Great Britain confirmed permanent arrangements for the establishment of the International Boundary Commission (IBC) which is directed by two Commissioners, one appointed by the President of the United States and the other by Order-in-Council of Canada. The Treaty stipulates that the United States and Canada shall jointly maintain an effective boundary line between the two countries. This entails maintaining the boundary monuments in good repair; establishing additional monuments, marks and buoys where necessary; clearing the 20-foot wide border strip of new timber and brush growth; and, such other work as is necessary for an effective demarcation of the boundary. A well defined boundary is extremely important to people living, farming and working along it. The everyday business of government and private industry would be extremely complicated, if not impossible, in the face of an ambiguous, or not clearly defined boundary. The Commission also settles any boundary disputes that may arise between the Governments of the United States and Canada.

II. Current Programs

During 1985, the Commission fielded three projects: a contract to reclear 49.4 miles of vista along the Alaska-Yukon Territory border, repairing or replacing monuments as necessary; the inspection of 22 miles of the St. Francis River segment of the Maine-Quebec boundary, resurveying and maintaining reference monuments as required; and, a contract to reclear 14 miles of vista along the North Line-Monument Brook segments of the Maine-New Brunswick border. In addition, the IBC established a field office at Presque Isle, Maine. This will allow the Commission closer surveillance of construction, forestry and farming activities and to better enforce compliance with regulations covering the use of the 20-foot wide border strip.

International Boundary Commission

During 1986, the IBC will reclear 62 miles along the Montana-British Columbia/Alberta boundary, repairing and/or replacing boundary monuments as necessary; inspect 21 miles of the St. Francis River reference monument system, resurveying and maintaining reference monuments as required; and, resurvey 23 miles of the Minnesota-Manitoba border to determine the precise geographic positions of replaced or repaired boundary monuments. The IBC will establish a field office in Great Falls, Montana, to further enforce compliance with regulations covering the use of the International Boundary strip.

III. 1987 Plans

IBC's first project for 1987 is the reclearing of a 50-mile segment of the Maine-Quebec boundary, repairing or replacing boundary monuments as required. This field operation is expected to cost $112,190. While this section of the boundary is not as treacherous or as high in elevation as some portions of the Western border, it is especially rough and difficult to work in. A full field season will be required to complete this project.

The second project is the establishment of 40-50 second-order control survey points along a 300-mile segment of the Minnesota/North Dakota-Manitoba border using Global Positioning System (GPS) technology. These high-order survey points are necessary to bring the geographic positions of the boundary monuments, in this section, up to today's geodetic standards for accuracy. Estimated cost for this project is $93,606.

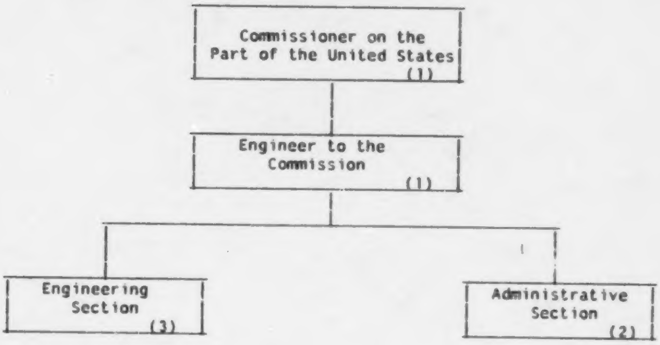
The 25 miles of international boundary passing through Passamaquoddy Bay, Maine-New Brunswick will be the third site of maintenance operations. New fluorescent material will be applied to the range faces of the 43 range marks which reference the boundary turning points in the Bay and the line-of-sight between the turning points and the range marks will be recleared of obstructing vegetation. This field operation is expected to cost $23,000.

In 1987, the last of three field offices along the International Boundary Line will be established in Northern Minnesota to further protect the use of the border strip and the mandate of the IBC to maintain an effective boundary line.

International Boundary Commission

FY 1987
Organization Chart

Total Domestic Positions: 7


Commissioner on the Part of the United States (1)
Engineer to the Commission (1)
Engineering Section (3)
Administrative Section (2)

International Boundary Commission

FY 1987
Justification of Program Activities

	Positions		Funds
	American	FSN	(in thousands)
1987 Request........................	7	--	$760

Base Program: 7 positions and $531,000. The Treaty of 1925, between the United States and Great Britain, confirmed permanent arrangements between the United States and the Dominion of Canada for the establishment of the International Boundary Commission. Two Commissioners direct the IBC; one appointed by the President of the United States and the other by Order-in-Council of Canada, to carry out the mandate of jointly maintaining an effective boundary line between the two countries. This entails maintaining the boundary monuments in good repair; establishing additional monuments, marks and buoys where necessary; clearing the 20-foot wide border strip of new timber and brush growth; and, such other work as necessary to effectively demark the boundary.

The lack of IBC personnel presence along the boundary has resulted in an ever increasing encroachment on the mandate of the Commission. New highway construction, bridge construction, pipeline crossings, hydro-electric rights of way, forestry, and farming operations are occurring with increasing frequency and disregard for compliance with regulations covering the use of the 20-foot wide border strip. In order to deal with these problems and to exert a greater presence in the border area, IBC: established a field office in Presque Isle, Maine, in 1985; will establish a second field office in Great Falls, Montana in 1986; and plans to open a third and final field office in Northern Minnesota in 1987.

Maine-Quebec Border, $112,000. This 50-mile section of the border is not as high in elevation, nor as treacherous as some segments of the western border region; but, it is in the rough, difficult-to-work northern Appalachian Mountains and will require a full field season to complete. Funds requested will provide a work crew for eight pay periods, purchase construction materials for the repair/replacement of boundary monuments and clear the boundary strip to the mandated 20-foot wide air vista.

Minnesota-Manitoba 49th Parallel, $94,000. Utilizing Global Positioning System (GPS) technology, these funds will allow the IBC to establish 40-50 second-order control survey points along 300 miles of this portion of the boundary, bringing the geographic positions of the International Boundary Markers to today's geodetic standards for accuracy. The IBC will field a technical crew of six with the required instruments to accomplish this project in four pay periods, and then process the information to enter the National Geodetic Survey data bank.

International Boundary Commission

Maine-New Brunswick (Passamaquoddy Bay), $23,000. The 43 range marks, which reference the boundary turning points along this 25-mile segment of the boundary, passing through Passamaquoddy Bay, are subject to extreme weather conditions. This results in their deterioration to the point where they no longer serve the purpose for which they were established. With these resources, the IBC will continue its on-going maintenance program by resurfacing marks which can be salvaged, constructing replacements, resetting any which are off mark and coating the range faces of the marks with new fluorescent material. The recent decision from The Hague, concerning the seaward boundary between Canada and the United States, emphasizes the importance of a clearly marked boundary in this area. These funds will allow IBC to field a crew for six pay periods to perform this maintenance and to clear away any obstructing vegetation, thus allowing line-of-sight between the turning points and the range marks.

International Boundary Commission

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate......................	7	--	--	7	$747
Built-In Changes					
Non-Recurring Decreases					
Reduction in Border Maintenance Costs.............	--	--	--	--	-61
Annualization of 1986 Increases					
Federal Wage Increase..........	--	--	--	--	1
Federal Wigs...................	--	--	--	--	3
SUBTOTAL, Annualization of 1986 Increases.......................	--	--	--	--	4
SUBTOTAL, Built-In Changes.........	--	--	--	--	-57
1987 Current Services..............	7	--	--	7	690
Program Changes					
Other Program Activities:					
Leasing of Vehicles............	--	--	--	--	14
Mapping Project................	--	--	--	--	56
SUBTOTAL, Other Program Activitie	--	--	--	--	70
SUBTOTAL, Program Changes..........	--	--	--	--	70
1987 Request (Budget Authority)....	7	--	--	7	760

International Boundary Commission

FY 1987
Explanation of Built-In Changes

NON-RECURRING

Reduction in Border Maintenance Costs, -$61,000

IBC field teams will be working in less rough and remote terrain under less hazardous and costly working conditions during 1987. As a result of this, less overtime, hazardous duty pay, and helicopter support will be required.

ANNUALIZATION

Federal Wage Increases, $1,000

This increase is for annualizing costs for wage increases which occurred in 1986.

WAGE INCREASE

Within-Grade Salary Increases, $3,000

This increase will provide for within-grade salary increases. The increase affects base pay for full-time permanent personnel and personnel benefits.

International Boundary Commission

FY 1987

Justification of Program Changes

INCREASES

Program Changes, $70,000:

Leasing of Vehicles for Field Offices, $14,000. IBC personnel (three engineer-technicians) transferred from Headquarters Office in Washington, D. C., will be stationed at three field offices in close proximity to the US-Canada border (Presque Isle, Maine [1985], Great Falls, Montana [1986], and Northern Minnesota [1987]). They will require heavy-duty, reliable vehicles for travel to border areas under their jurisdiction in all types of weather, over varied terrain. Because of high maintenance costs, it is more cost-effective to lease rather than purchase these vehicles. These funds will supply heavy-duty vehicles, capable of transporting the engineer and his survey gear over rough terrain to accomplish the IBC work.

IBC MAPPING PROJECT, $56,000. This increase is for IBC's participation in the cooperative effort with other Federal agencies to issue a new series of official US-Canada boundary maps. The total estimated cost of the US Section participation in this multi-year effort, which is scheduled for completion in 1988, is $300,000. Of this amount, $58,000 has been funded through 1986.

International Boundary Commission

FY 1987
REQUIREMENTS BY OBJECT CLASS
(dollars in thousands)

Object class	1985 Actual	1986 Estimate	Current Services Adjust	Current Services	Program Changes	1987 Request	1987 Inc/Dec Ovr 1986
Personnel Comp....	$225	$263	$4	$267	--	$267	$4
Personnel Benefits	36	221	-53	168	--	168	-53
Travel & Trans....	91	42	--	42	--	42	--
Trans. of Things..	4	11	--	11	--	11	--
Rent,Com & Utility	4	14	--	14	--	14	--
Printing & Repro..	6	6	--	6	--	6	--
Other Services....	302	111	--	111	$14	125	14
Suppl & Materials.	25	79	-8	71	56	127	48
Equipment.........	39	--	--	--	--	--	--
TOTAL BUDGET AUTH.	732	747	-57	690	70	760	13
Unobligated balanc	15	--	--	--	--	--	--
TOTAL BUDGET AUTH.	747	747	-57	690	70	760	13

BIOGRAPHY OF DAVID C. FISCHER

Mr. **Dwyer**. Since this is your first appearance before the Committee, Mr. Fischer, we shall insert your biography in the record at this point.

[The biographical sketch of David C. Fischer follows:]

David C. Fischer, Commissioner on the Part of the United States

On June 17, 1985, President Reagan, appointed David C. Fischer as Commissioner on the Part of the United States of America, International Boundary Commission, United States and Canada.

Mr. Fischer was born in Sandusky, Ohio, January 21, 1948, and spent his adolescent years in Salinas, California. He was awarded a Bachelor of Science degree in 1969 from California State Polytechnic University in San Luis Obispo, California. A Juris Doctor was awarded from J. Reuben Clark Law School of Brigham Young University in 1976.

In his third year of law school, Mr. Fischer joined the 1976 Reagan for President national campaign staff, concentrating his efforts in the early primary states, particularly New Hampshire and North Carolina, then on to the Midwest and West. After the '76 campaign, he continued his relationship with Governor Reagan on a consulting basis.

In January, 1978, he joined Deaver and Hannaford, a Los Angeles based public relations firm and was appointed Executive Assistant to Governor Reagan, a client of the firm. As Executive Assistant to Governor Reagan, he directed the scheduling, advance, and security operations in support of Reagan's national and world-wide travels.

During the 1980 campaign, he continued serving as Executive Assistant to the President and, in addition, was appointed as Director of Advance Operations. President-elect Reagan asked Mr. Fischer to serve in the new Administration and he was appointed Special Assistant to the President. In that capacity he managed the daily operation of the President's office and schedule, coordinating the efforts of the various departments and agencies which support the President.

After more than six years of full-time service with the President, Mr. Fischer fulfilled a promise to his family by resigning his commission and returning to private life. Mr. Fischer and his wife, Katherine, are the parents of three daughters ages 7, 5 and 3.

Mr. **Dwyer**. Mr. Fischer, you may proceed at your own pace.

General Statement

Commissioner **Fischer**. Thank you, Mr. Chairman.

With your permission and in the interest of time, I ask permission to insert my prepared statement in the record and take any questions that you might have.

Mr. **Dwyer**. Yes, sir.

[The prepared statement of David C. Fischer follows:]

DEPARTMENT OF STATE
1987 BUDGET ESTIMATES

STATEMENT OF

DAVID C. FISCHER, UNITED STATES COMMISSIONER
OF THE INTERNATIONAL BOUNDARY COMMISSION,
UNITED STATES AND CANADA

Before

THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS

for

COMMERCE, JUSTICE, STATE, THE JUDICIARY AND
RELATED AGENCIES

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS
(INTERNATIONAL BOUNDARY COMMISSION)

Mr. Chairman and Members of the Committee:

It is my pleasure to present to you the International Boundary Commission's budget request for 1987.

The treaty-mandated function of this Commission is to maintain an effective boundary line between the United States and Canada - a mission which requires that the boundary line be kept free of trees and brush; and that the markers, which identify the boundary, be kept in exact geographic position, in good repair, and clearly visible.

Therefore, to comply with the existing treaties and enable the Commission to continue its mission, the IBC is requesting a budget of $760,000 for Fiscal Year 1987. Decreases totaling $61,000, as a result of reductions in border maintenance costs, are offset by increases totaling $74,000 which include $1,000 for Federal Wage Increases; $3,000 for Within-Grades increases; $14,000 for the Leasing of Vehicles for the IBC field offices; and $56,000 for the ongoing IBC mapping project.

In 1987 the IBC will continue its mission along three segments of the International Boundary. The first of these field projects is the reclearing of a 50-mile section along the Maine-Quebec border, replacing or repairing boundary monuments as required. The 49th Parallel along the Minnesota/North Dakota-Manitoba border is the site of the second field project where 40-50 second-order control survey points will be established along 300 miles of this portion of the boundary. These control survey points will enable IBC to use satellite frequencies (Global Positioning System technology [GPS]) to bring the geographic positions of the boundary monuments, in this section, up to today's geodetic standards for accuracy. The new GPS technology reduces the amount of manpower necessary for large survey projects along the boundary. Data gathered on this project will be entered into the National Geodetic Survey data bank. IBC's third project for 1987 is along the Maine-New Brunswick border at Passamaquoddy Bay where 43 range marks, which reference the boundary turning points along this 25-mile segment of the boundary, will be resurfaced, salvaged and/or replaced, Those which are off mark will be reset and the range faces of all marks will be coated with new fluorescent material. Obstructing vegetation will be cleared away to allow the required line-of-sight between the turning points and the range marks.

In addition to the three field projects, the United States Section of the Commission will establish a one-man field office in the Northern Minnesota border area (the third and final field office of the United States Section) thus allowing closer monitoring of activities along the border strip.

The concentration of American and Canadian citizens living within 100 miles of the border places more importance on the requirement for an effective boundary. Such entities as private property owners, law enforcement activities, oil and mineral exploration companies, logging operations, land management activities and farm or ranch operations rely on the precise IBC data to ensure they are within their rights to continue the management of their varied activities within their own country.

The on-going maintenance program of surveying, inspecting and reclearing the 5,525-mile border with the repair or replacement of the International Boundary Line Monument/Markers assures that the United States and Canada will continue to maintain a well-defined, effective border - thus diminishing the possibility of disputes and assuring the continuation of the trust and respect between our two countries.

Mr. Chairman, Members of the Committee, I will be pleased to take any questions you may have regarding this request.

IMPACT OF GRAMM-RUDMAN-HOLLINGS

Mr. **Dwyer**. I understand that $32,000 was sequestrated under Gramm-Rudman.

Commissioner **Fischer**. Yes, sir.

Mr. **Dwyer**. How about the impact?

Commissioner **Fischer**. The impact has been a temporary halt in the project that has been ongoing before I became the Commissioner. It has to do with a mapping project between the governments of Canada and the United States, a plan to update the maps on the 49th parallel most of which date back to about 60 years old. It was a plan to update those maps and just to make them more current. Right now, that has been held in abeyance and awaits further discussion.

Mr. **Dwyer**. Had work started?

Commissioner **Fischer**. Preliminary work only.

Mr. **Dwyer**. What does Canada have to say about this?

Commissioner **Fischer**. Well, Canada has a much more ambitious goal in the mapping project, and that has been a source of, I guess, contention with my predecessor. They had a more elaborate system for updating the maps. Our staff has a much more cost-effective procedure that we want to pursue. Because of the difference of opinions between the two sides, that is something that is going to be discussed in April at a joint meeting. But they, too, have just been in the preliminary stages of this project.

Mr. **Dwyer**. This particular project has been large enough to take the entire impact of Gramm-Rudman.

Commissioner **Fischer**. Yes, sir.

Mr. **Dwyer**. There is no furloughing?

Commissioner **Fischer**. No, sir.

WAGE INCREASES

Mr. **Dwyer**. You are requesting a thousand dollars for Federal wage increases and another increase of $3,000 for within-grade increases. I cannot believe those figures.

Commissioner **Fischer**. It is a small Commission.

Mr. **Dwyer**. What is the difference between the two categories of increases?

Mr. **Moore**. I am not quite sure that we understand the question, Mr. Chairman.

Mr. **Dwyer**. Well, I am not so sure I do, either. Maybe it is because I am completely intoxicated for a thousand dollars and three thousand dollars.

Is one for cost-of-living increases and the other one for——

Mr. **Moore**. No, but the three thousand for the within-grades is the——

Mr. **Dwyer**. Promotions?

Mr. **Moore**. Well, the breakdown within the Federal grade structure, yes, sir. And the one thousand for Federal wage increases, I would honestly say we have to look into that to come up with a clear-cut answer.

Mr. **Dwyer**. On the one thousand dollars?

Mr. **Moore**. Just a minute.

Mr. **Dwyer**. Do not spend too much money looking for it. [Laughter.]

Mr. **Moore**. Liz, can you provide a quick answer to that?

Ms. **Kaufhold**. Well, the within-grades are for the staff that are already in place and that would be eligible for the within-grades. We have one more person to be brought on board.

MAPPING PROJECT

Mr. **Dwyer**. What do you anticipate this mapping project is going to cost if we use the method that the United States is suggesting we use?

Mr. **Moore**. The total cost the way the Canadians would like to proceed we think will be in the neighborhood of $5 million.

The way we would prefer to go would be at least no more than half that, and also by using the photo image maps that we think would serve our needs, we could get other government agencies to participate in this. They can also use these maps which would further reduce the IBC's direct cost.

At the time we started this, we felt that it would cost approximately $300,000 for our part in this effort.

Mr. **Dwyer**. Well, you are requesting $56,000 in the '87 budget for the ongoing mapping project, an increase of $56,000. What is the total amount you are asking for? What is the total amount you are requesting in '87 for this mapping project?

Mr. **Moore**. Eighty-eight thousand, I think, is here.

Mr. **Dwyer**. Yes. That would be the amount above the 32,000 that you had last year.

How do you anticipate to do it? I suppose you expect to do it in stages?

Mr. **Moore**. Yes.

Mr. **Dwyer**. That is why you asked for that. What is the length of time you project that you will be doing this mapping, even if they use your method?

Mr. **Moore**. Through FY 1988.

Mr. **Dwyer**. So that really in the '88 budget you will have to put in for a pretty good——

Mr. **Moore**. Yes, sir, we would.

Mr. **Dwyer**. Gramm-Rudman has its worst impact in '87 and '88.

Mr. **Moore**. That is true.

Commissioner **Fischer**. The question that will have to be addressed between the two sides is whether or not we can go another 60 years without upgrading the maps. We have essentially gone 60 years so far, and it is just really a question of whether or not——

Mr. **Dwyer**. It is really the Canadians' request that they want to upgrade the map.

Commissioner **Fischer**. It is mandated.

Mr. **Dwyer**. By the treaty; I see.

Commissioner **Fischer**. Yes. And so it is a matter of the interpretation of what is updating, the fact that some of those maps are 60 years old.

Mr. **Dwyer**. Does it cause any real practical problems?

Commissioner **Fischer**. Well, I would have to defer to the engineer.

Mr. **Moore**. If you take one of the present maps and take it out into the field and try to relate it to the situation as it now is, it is difficult to do because of the many changes that have occurred along the boundary line.

Mr. **Dwyer**. Well, what might arise? The transfer of property?

Mr. **Moore**. Not so much property, but new highways, new buildings, farm land that was once forest.

Mr. **Dwyer**. Maybe that is the answer; build a superhighway right along the boundary and one side of the street is Canadian and we are on the other side of the street.

Mr. **Moore**. It would certainly help us in that respect. It goes through the basic topographic changes.

IBC FIELD OFFICES

Mr. **Dwyer**. Your budget also indicates that the Commission will establish a one-man field office in northern Minnesota border area. I understand that the Commission has already established two one-man field offices.

My question is: Has that job been filled yet up there on that border?

Commissioner **Fischer**. The first one to be filled is the one in Maine. That should have been accomplished by now. The gentleman that was to move up there was involved in a helicopter crash on the border last summer and is recuperating, and because the Committee only has six people working for it, he was slated to go up. And as soon as he recovers completely, he will move there. That is expected to take place in June.

The other office you mentioned should be operational towards the end of the summer.

Mr. **Dwyer**. What is the purpose of those offices?

Commissioner **Fischer**. The purpose of the office, as I understand it, is a project that has been in the works for a long time. It is an effort to get the people who actually are in charge of these different projects along the border up there where they work. The long-term effect fiscally would be to save money because as we get these people up into these offices, the office space is very cheap in those areas and there will be a reduction of office space here in Washington.

But the effort is to get the people who do the work on location basically up there year-round.

Mr. **Dwyer**. There are no new employees involved?

Commissioner **Fischer**. No, sir. It is a matter of transferring existing people who are based in Washington and who now travel back and forth to these projects. It is a matter of getting them up in location, and the end result will be to save the Federal Government money.

Mr. **Dwyer**. Will these field offices be in remote areas? I imagine that northern Minnesota——

Mr. **Moore**. Not too remote, no, sir. It would be in mid-sized towns.

Mr. **Dwyer**. Okay. Thank you very much for your testimony today.

Commissioner **Fischer**. Thank you, Mr. Chairman.

TUESDAY, MARCH 11, 1986.

INTERNATIONAL FISHERIES COMMISSIONS

WITNESSES

JOHN D. NEGROPONTE, ASSISTANT SECRETARY, BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

EDWARD E. WOLFE, DEPUTY ASSISTANT SECRETARY, OCEANS AND FISHERIES AFFAIRS

BARRY J. KEFAUVER, EXECUTIVE DIRECTOR, BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

JAMES C. LEWIS, BUDGET OFFICER

Mr. DWYER [presiding]. The next item we will consider today is the fiscal year 1987 budget request for the International Fisheries Commissions. The request is for $11 million. The amount is an increase of $186,000 above the appropriation for fiscal year 1986, adjusted for sequestration under Public Law 99-177.

We shall insert the budget justifications into the record at this point.

[The justification material follows:]

International Fisheries Commissions

Balanced Budget and Emergency Deficit Control Act of 1985

($000 in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$11,300	-$486	$10,814

-PROGRAM, PROJECT, ACTIVITY DETAIL-

Appropriation	1986 Appropriation	1986 Sequester	1986 Revised
International Pacific Halibut Commission	$753	-$32	$721
International Pacific Salmon Fish. Comm.	464	-20	444
Inter-American Tropical Tuna Commission	2,652	-114	2,538
International Whaling Commission	57	-2	55
Inter. North Pacific Fish. Commission	107	-4	103
Great Lakes Fishery Commission	4,736	-204	4,532
North Pacific Fur Seal Commission	13	-1	12
International Commission for the Conservation of Atlantic Tunas	68	-3	65
Northwest Atlantic Fisheries Organization	63	-3	60
U.S./Canada Pacific Salmon Commission	2,225	-96	2,129
Commission for Conservation of Antarctic Marine Living Resources	50	-2	48
North Atlantic Salmon Conservation Organization	12	-1	11
International Council for the Exploration of the Sea	56	-2	54
Expenses of the U.S. Commissioners	44	-2	42
Appropriation Total	$11,300	-$486	$10,814

The information presented above represents the Program, Project or Activities (PPA) and amounts for this appropriation identified in the Presidential order issued February 1, 1986. The amounts reflect the application of the 4.3% reduction to each affected PPA without regard to the current status of funds for specific PPA's. In some instances, funds may have been previously obligated and/or disbursed. In these situations, appropriate action will be taken to assure that adequate funds are available when the President's order becomes effective on March 1.

In the document that follows, the 1986 column reflects amounts appropriated by Congress. The effects of the 1985 Deficit Reduction Act were not received in time to be incorporated within individual budget units.

INTERNATIONAL FISHERIES COMMISSIONS

For necessary expenses for international fisheries commissions, not otherwise provided for, [$11,300,000] *$11,000,000: Provided*, That the United States share of such expenses may be advanced to the respective commissions. *(Department of State Appropriation Act, 1986.)*

International Fisheries Commissions

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
--	$10,175	--	$11,300	--	$11,000	--	-$300

I. Summary

This appropriation funds the United States' share of expenses of eleven bilateral and multilateral international fisheries organizations established by treaties, participation in the International Council for the Exploration of the Sea, and travel expenses of the United States Commissioners and their advisors. Implementing legislation for the United States-Canada Pacific Salmon Commission also provides for salary payments to that commission's, United States Commissioners and Alternates, and Panel Members and Alternates, who are not Federal or State employees, for days actually worked on Commission business.

Membership in these organizations provides a forum for discussion between the United States and other fishing nations on problems of mutual interest; it ensures the propagation and guards against the depletion of fishery resources of importance to the United States; and it ensures that United States fishermen have the opportunity to harvest an equitable share of fish found primarily in proximity to the coastlines of the United States.

II. Current Programs

These international fisheries organizations conduct continuing scientific studies on the resources for which they are responsible and recommend conservation measures to member governments based on the results of these studies. Through the positive ongoing efforts of the commissions, many previously overfished areas are now yielding abundant catches to commercial and sport fishermen. For example, the halibut catch increased from 22 million pounds in the late 1970's to almost 56 million pounds in 1985; tuna catches in the eastern Pacific increased from 90 thousand tons in 1966 to 105 thousand tons in 1984, a catch worth nearly $90 million to the U.S. fishermen. Also, a new fishery commission, the United States-Canada Pacific Salmon Commission, was established in 1985 bringing a much greater area of the Pacific coastline of the U.S. and Canada under salmon conservation procedures than was previously covered by the International Pacific Salmon Fisheries Commission, which was terminated in 1986, and whose area of responsibility was absorbed into the new commission. In addition, efforts to eradicate the sea lamprey populations in the Great Lakes have been extremely successful, permitting the introduction of Pacific salmon, and the rehabilitation of lake, rainbow, and brown trout. Ongoing research and conservation programs on a number of other fisheries stocks are continuing to prove effective in maintaining those species at optimum levels. Programs of the recently established North Atlantic Salmon Conservation Organization, and the Commission for the Conservation of Antarctic Marine Living Resources are maturing and it is anticipated that conservation programs under these organizations will prove equally successful to those of the more established commissions.

International Fisheries Commissions

FY 1987
SUMMARY OF ACTIVITIES

	POSITIONS				FUNDS ($000)
	Americans Dom.	Americans Ovseas	FSNs	Total Pos.	Total Funds
1986 CURRENT ESTIMATE	--	--	--	--	$11,300
Built-In Changes	--	--	--	--	-300
1987 CURRENT SERVICES	--	--	--	--	11,000
1987 REQUEST (BUDGET AUTHORITY)	--	--	--	--	11,000
Increase or decrease of 1987 over/from 1986	--	--	--	--	300

Comparison of Activities	POSITIONS 1985 Actual	POSITIONS 1986 Estimate	POSITIONS 1987 Request	FUNDS 1985 Actual	FUNDS 1986 Estimate	FUNDS 1987 Request
Diplomatic Relations Through International Organizations						
International Fisheries Commissions						
International Pacific Halibut Commission	--	--	--	$715	$753	$792
International Pacific Salmon Fisheries Commission	--	--	--	1,784	464	--
Inter-American Tropical Tuna Commission	--	--	--	2,383	2,652	2,788
International Whaling Commission	--	--	--	50	57	57
International North Pacific Fisheries Commission	--	--	--	83	107	107
Great Lakes Fishery Commission	--	--	--	4,424	4,736	4,712
North Pacific Fur Seal Commission	--	--	--	10	13	10
International Commission for the Conservation of Atlantic Tunas	--	--	--	52	68	68
Northwest Atlantic Fisheries Organization	--	--	--	--	63	48
U.S./Canada Pacific Salmon Commission	--	--	--	578	2,225	2,256
Commission for the Conservation of Antarctic Marine Living Resources	--	--	--	22	50	50
North Atlantic Salmon Conservation Organization	--	--	--	4	12	12
International Council for the Exploration of the Sea	--	--	--	48	56	56
Expenses of the U.S. Commissioners	--	--	--	22	44	44
Subtotal, International Fisheries Commissions	--	--	--	10,175	11,300	11,000
Subtotal, Diplomatic Relations Through International Organizations	--	--	--	10,175	11,300	11,000
Lapses	--	--	--	125	--	--
TOTAL BUDGET AUTHORITY	--	--	--	10,300	11,300	11,000

International Fisheries Commissions

FY 1987
Justification of Program Activities

	Positions		Funds
	American	FSN	
1987 Request........................	--	--	$11,000,000

Funding in this appropriation provides the United States' share of the operating expenses of eleven international fisheries commissions, one international fishery council, and travel expenses of the United States Commissioners and their advisors. Also, in the case of the U.S.-Canada Pacific Salmon Commission, salary costs are provided for days actually worked on commission business for Commissioners and their Alternates and Panel Members and their Alternates who are not Federal or State employees. Details of the activities of each commission are as follows:

International Pacific Halibut Commission..............................	$792,000

The 1953 Convention between the United States and Canada for the Preservation of the Halibut Fishery of the Northern Pacific Ocean and Bering Sea charges the Commission with developing and maintaining stocks of Pacific halibut at levels which will permit optimum yield. It further requires that the Commission's regulatory actions be based on the results of scientific investigations. A Protocol to the Halibut Convention was negotiated in early 1979 to meet conditions required by the Magnuson Conservation and Management Act of 1976. Scientific management of the fishery is more complex under the Protocol, and requires more precise biological information. Since the early 1960's, massive foreign trawl fisheries of Japan and the U.S.S.R., operating in the North Pacific and Bering Sea, reduced the annual catch from 70 million to 50 million pounds. To maintain the stocks, the Commission was forced to reduce the catch limit for United States and Canadian setline vessels. Negotiations by the United States and Canada with Japan and the U.S.S.R. were successful in obtaining trawl restrictions recommended by the Commission. A Commission decision was made to reduce the catch in the late 1970's to a 22 million pound level, a level below the productivity of the resource, so that the resource could recover. Thus far, the recovery effort has been succesful and the level of catch is now increasing. The 1985 catch quota was 55.7 million pounds with an estimated retail value of $140-190 million dollars.

Inter-American Tropical Tuna Commission..........................	$2,788,000

This Commission, established under a Convention which entered into force on March 3, 1950, is composed on the following member nations: France, Japan, Nicaragua, Panama, and the United States. The Commission is charged with maintaining the populations of yellowfin and skipjack tuna and tuna-like fishes caught in the eastern Pacific Ocean, and for maintaining the populations of those fishes at levels which will permit maximum yields on a sustained basis. In addition to tunas, since 1976 the Commission has had the responsibility for conducting research on the stocks of dolphins and other marine mammals taken in conjunction with the fishery for tunas, and for developing methods that will ensure that dolphins are not needlessly or carelessly killed during fishing operations.

The Commission collects, compiles and analyzes tuna catch statistics and logbook data obtained directly from fishing fleet and processing plants; conducts investigations of the biology, life history, vital statistics, population structure and behavior of tunas, and oceanic circulation of tuna migrations, rates of intermingling of stocks, and mortality and growth.

Although the harvest of tuna has more than doubled since the 1960's, it has not increased in proportion to the increase in fleet capacity, which approximately quadrupled. To prevent overfishing, the Commission's conservation program regulated fishing in geographical areas within the conservation zone of the Commission. The program was successful in maintaining the yellowfin tuna stock near its optimum level from which it could support high average yields. Although since 1980 there has been no continuing conservation program due to lack of agreement among nations to implement it, there is a strong need to maintain the Commission's research programs. Of fundamental importance is the maintenance of the basic catch, effort and size composition data base. Without such statistics, it would be impossible to make assessments of the impact of fishing on the stocks as well as impossible to partition catches among geographically and biologically distinct areas, all of which are essential to conservation and management.

International Whaling Commission....................................$57,000

The 1948 Convention on Whaling called for the establishment of this Commission to provide for the conservation, development, and optimum utilization of the whale resources based on scientific findings, taking into consideration the interest of the consumers of whale products and the whaling industry by (1) collecting and analyzing statistical information concerning the current condition and trend of whale stocks and the effects of whaling activities thereon; and (2) studying, appraising and disseminating information concerning methods of maintaining and increasing the populations of whale stocks. The current membership of the Commission includes the following forty nations: Antigua and Barbuda, Argentina, Australia, Belize, Brazil, Chile, People's Republic of China, Costa Rica, Denmark, Egypt, Finland, France, Federal Republic of Germany, Iceland, India, Ireland, Japan, Kenya, Republic of Korea, Mauritius, Mexico, Monaco, The Netherlands, New Zealand, Norway, Oman, Peru, The Philippines, Saint Lucia, Saint Vincent and the Grenadines, Senegal, Seychelles, South Africa, Spain, Sweden, Switzerland, U.S.S.R., U.K., United States, and Uruguay.

International North Pacific Fisheries Commission......................$107,000

The 1953 Convention for the High Seas Fisheries of the North Pacific Ocean was signed by the United States, Canada, and Japan calling for the formation of this Commission, whose expenses are to be borne equally by the three member governments. Its goals and objectives are to promote and coordinate scientific studies necessary to ascertain the conservation measures required to secure the maximum sustained productivity of fisheries of joint interest to the member governments. The Commission studies and makes recommendations on any stock of fish which is under substantial exploitation by two or more of the member nations, and which is not covered by a conservation agreement. It makes recommendations regarding conservation measures and necessary restraints on members' own nationals and fishing vessels. It reports conservation measures adopted with regard to fish stocks of interest to members, recommends penalties for violations, and reports annually on its operations, investigations and findings.

Great Lakes Fishery Commission...$4,712,000

The 1955 Convention on Great Lakes Fisheries, signed by the United States and Canada, called for the formation and maintenance of this joint commission. The Commission is charged with formulating a research program or programs designed to secure the maximum sustained productivity of any stock of fish in the Great Lakes and their tributaries which is of common concern to the United States and Canada, and to determine what measures are best adapted for that purpose; to coordinate research made pursuant to such programs and, if necessary, to undertake the research itself; to recommend appropriate measures to both nations on the basis of the findings of such research programs; to formulate and implement a comprehensive program to eradicate or minimize the sea lamprey populations in the Great Lakes and their tributaries; and to publish or authorize publication of scientific and other information obtained by the Commission in the performance of its duties. Expenses of the Commission are borne equally for the Administration and General Research categories of the budget, but are divided 69% U.S./ 31% Canada for the program of lamprey eradication and control, that ratio established on the basis of average annual commercial catches of lake trout in the United States and Canada before the invasion by sea lamprey into the Great Lakes.

The major portion of the Commission's effort is directed toward the Sea Lamprey Control and Research Program. Since sea lamprey control measures were introduced in the mid-1950's, outstanding results have been achieved by the Commission in reducing and holding sea lamprey populations in the lakes to about 5-10 percent of their former abundance. This has made possible the successful introduction of Pacific salmon and the rehabilitation of highly desirable stocks of lake, rainbow (steelhead) and brown trout, and whitefish. These rehabilitation efforts, supplemented by approximately 38 million salmon and trout plantings each year, have created a sport fishery with an economic impact of approximately $1 billion on the Great Lakes area. Sea lamprey control also benefits the commercial fishing industry. For example, following sea lamprey control substantial increases have been noted in the abundance of whitefish. Commercial production of whitefish in Lake Michigan, which fell to an all time low of 25,000 pounds in 1957, has increased to an average of 5.7 million pounds in the 1980's. This commercial catch has an economic impact (landed value plus ancillary costs) of $160 million annually.

The Commission's small staff (seven) at its Secretariat in Ann Arbor, Michigan executes the administrative responsibilities of the Commission. It also administers a general research program under the advice and direction of the Commission's Board of Technical Experts which addresses critical problem areas that are impeding lake trout restoration, economic assessment, and a merging of fish habitat and ecosystem approach concerns.

North Pacific Fur Seal Commission....................................$10,000

The Commission was formed under provisions of the Interim Convention on Conservation of North Pacific Fur Seals, which entered into force on October 14, 1957. Member nations of the Commission are Canada, Japan, the U.S.S.R., and the United States. The Commission coordinates the necessary scientific research programs of the member nations in investigating the fur seal resources of the north Pacific Ocean to determine what measures are necessary to produce the maximum sustainable yield of the fur seal resources, the relationships between fur seals and other living marine resources, and whether fur seals have detrimental effects on other living marine resources substantially exploited by any of the member nations, based on the findings of the research programs to include measures regarding the size, sex, and age composition of the seasonal commercial kill from a herd.

International Commission for the Conservation of Atlantic Tunas $68,000

The Commission studies and researches the populations of tuna and tuna-like fishes found in the Atlantic Ocean to maintain these populations at levels which will permit the maximum sustainable catch for food and other purposes. The Commission is responsible for a program of research on the abundance, biometry and ecology of tunas, the oceanography of their environment, and the effects of natural human factors upon their abundance. Specific duties of the Commission include (a) collecting and analyzing statistical information relating to the current condition and trends of the tuna fishery resources; (b) studying and appraising information concerning measures and methods to ensure maintenance of the populations of tuna and tuna-like fishes at levels which will permit the maximum sustainable catch and will ensure the effective exploitation of the fishes in a manner consistent with this catch; (c) recommending studies and investigations to the member nations; and (d) publishing and otherwise disseminating reports of its findings-- statistical, biological and other scientific information.

The International Convention for the Conservation of Atlantic Tunas was entered into force March 21, 1969, and currently has twenty-one member nations: Angola, Benin, Brazil, Canada, Cape Verde, Cuba, France, Gabon, Ghana, Ivory Coast, Japan, Korea, Morocco, Portugual, Sao Tome & Principe, Senegal, South Africa, Spain, Uruguay, U.S.S.R., and the United States.

Northwest Atlantic Fisheries Organization.......................$48,000

The Convention governing formation of the Northwest Atlantic Fisheries Organization (NAFO) entered into force on January 1, 1979. Its current membership (14) is composed of Bulgaria, Canada, Cuba, European Economic Community (representing Denmark, France, Federal Republic of Germany, Ireland, Italy, and the U.K.), Faroe Islands (represented by Denmark), German Democratic Republic, Iceland, Japan, Norway, Poland, Portugal, Romania, U.S.S.R., and the United States. NAFO promotes the conservation and optimum utilization of the fishery resources of the northwest Atlantic area, encourages international cooperation and consultation with respect to those resources, and is responsible for (a) making investigations into the abundance, life history, and ecology of any species of aquatic life; (b) collecting and analyzing statistical information relating to current conditions and trends of the fishery resources of the area; (c) holding such hearings as may be useful or essential to develop complete factual information necessary to carry out provisions of the Convention; and (d) publishing and otherwise disseminating reports of its findings, statistical, scientific, and other information.

Budgetary payments for NAFO are calculated under a formula calling for 30% of the overall budget to be divided equally among all members, 10% to be divided among the coastal state members in proportion to their catches in the Convention area for the species of fish being regulated, and 60% divided among all members in proportion to their catches in the Convention area for the species of fish being regulated.

United States-Canada Pacific Salmon Commission $2,256,000

This Commission was established under provisions of the Pacific Salmon Treaty Act of 1985 signed by the United States and Canada on January 28, 1985. The Commission's activities are concerned with conservation measures necessary to enable the two member countries to save the salmon resource, to replenish and to share it. Conservation and management activities of the Commission are performed upon recommendations of three Panels, the joint United States and Canadian Northern Panel, Southern Panel, and Fraser River Panel. The Panels, in turn, receive information and recommendations from each country and from Joint Technical Committees as established. The Fraser River Panel assumed the responsibilities of the former International Pacific Salmon Fisheries Commission.

This Commission assumed the responsibility of the work done by International Pacific Salmon Fisheries Commission. The terminated Commission will be reestablished as a Panel under the Pacific Salmon Commission.

Commission for the Conservation of Antarctic Marine Living Resources...$50,000

Membership in this Commission, headquartered in Hobart, Tasmania, Australia, enables the United States to ensure the renewability of the world's largest untappped source of marine protein, and aids in protecting future U.S. access to important marine resources in the Antarctic region.

The establishment of the Commission was recommended by the Antarctic Treaty Consultative Parties, at their London meeting in 1977, to develop and implement measures to ensure effective conservation and management of Antarctic marine living resources based on an ecosystem approach. Current membership in the Commission (16) is composed of Argentina, Australia, Belgium, Chile, European Economic Community, Federal Republic of Germany, German Democratic Republic, France, Japan, New Zealand, Norway, South Africa, Sweden, United Kingdom, the U.S.S.R., and the United States.

North Atlantic Salmon Conservation Organization......................$12,000

The objectives of this organization are to promote the conservation, restoration, enhancement and rational management of salmon stocks in the North Atlantic Ocean through international cooperation, and the acquisition, analysis and dissemination of scientific information pertaining to these salmon stocks. A Convention for the Conservation of Salmon in the North Atlantic Ocean was adopted and signed in 1982 by Canada, Denmark (representing the Faroe Islands), the European Economic Community, Iceland, Norway, and the United States and provided for the establishment of the Secretariat of the Organization in Edinburgh, Scotland.

The Organization consists of: 1) a Council, which provides the overall direction; 2) three regional commissions-- the North American Commission, the West Greenland Commission, and the North-East Atlantic Commission; and 3) Secretary. Under the current scheme, assessments are calculated as follows: (a) 30% of the budget shall be divided equally among the Parties; and (b) 70% of the budget shall be divided among the Parties in proportion to their nominal catches.

International Council for the Exploration of the Sea $56,000

The Council is concerned with the Atlantic Ocean and its adjacent seas, but primarily with the North Atlantic. Its major objectives are to promote and encourage research and investigation for the study of the sea, particularly those related to the living resources thereof. The Council draws up programs required and organizes, in agreement with member nations, such research and investigation as may appear necessary, and publishes or otherwise disseminates the results of research and investigations carried out under its auspices or encourages the publication thereof.

Expenses of the United States Commissioners..........................$44,000

The United States Commissioners to the various fishery commissions are appointed by the President and are responsible to the Secretary of State in carrying out their duties. They receive transportation expenses and per diem while engaged in work of the the various commissions and the United States sections but, with the exception of the United-States Canada Commission, no salary costs. The amount budgeted under this activity provides for United States participation in 1) bilateral fisheries commission meetings for the following commissions: International Pacific Halibut Commission and the Great Lakes Fishery Commission, but not the United States-Canada Pacific Salmon Commission whose expenses, as provided under P.L. 99-5, are included in the funding request for that commission; 2) multilateral fisheries commissions (International Commission for the Conservation of Atlantic Tunas, Inter-American Tropical Tuna Commission, International Whaling Commission, International North Pacific Fisheries Commission, North Pacific Fur Seal Commission, Northwest Atlantic Fisheries Organization, International Council for the Exploration of the Sea, Commission for the Conservation of Antarctic Marine Living Resources, and the North Atlantic Salmon Conservation Organization); 3) meetings of United States Commissioners and advisors; and 4) other necessary expenses of the United States sections.

International Fisheries Commissions

Summary Listing of Requirements: Reduction in Assessments, Annualization, Wage and Price

(Dollars in thousands)

	Positions				Funds
	Americans				
	Dom	O'seas	FSN	Total Pos.	Bureau Managed
1986 Estimate............	--	--	--	--	$11,300
Decreases					
Reduction in Assessments:					
International Pacific Salmon Fisheries Commission.............	--	--	--	--	-464
Great Lakes Fisheries Commission.............	--	--	--	--	-24
North Pacific Fur Seal Commission.............	--	--	--	--	-3
Northwest Atlantic Fisheries Organization.	--	--	--	--	-15
Subtotal, Decreases..	--	--	--	--	-506
Increases					
Assessment increases:					
International Pacific Halibut Commission.....	--	--	--	--	39
Inter-American Tropical Tuna Commission........	--	--	--	--	136
U.S.-Canada Pacific Salmon Commission......	--	--	--	--	31
Subtotal, Increases	--	--	--	--	206
TOTAL Decreases & Increases	--	--	--	--	-300
1987 Current Services Total	--	--	--	--	11,000

International Fisheries Commissions

1987
Explanation of Requirements

CATEGORIES

I. REDUCTION IN ASSESSMENTS

International Pacific Salmon Fisheries Commission, -$464,000.
This commission is being terminated in 1986. Its area of responsibility is being assumed by the new U.S.-Canada Pacific Salmon Commission which will cover a broader scope of operation. The terminating Commission will be reestablished as a Panel under the new Commission.

Great Lakes Fisheries Commission, -$24,000
The U.S. assessment for this commission is being reduced by $24,000.

North Pacific Fur Seal Commission, -$3,000
The U.S. assessment for this commission is being reduced by $3,000.

Northwest Atlantic Fisheries Organization, -$15,000
The U.S. assessment for this commission is being reduced by $15,000.

II. INCREASE IN ASSESSMENTS

International Pacific Halibut Commission, $39,000
The U.S. assessment increase for this commission are personnel costs ($31,500), and price increases for travel, communications, rents and utilities, printing, other contractual services, supplies and materials, vessel operations ($7,500).

Inter-American Tropical Tuna Commission, $136,000
This U.S. assessment increase consists of increases of $98,800 for personnel costs and $37,200 for miscellaneous operating costs of the commission-- primarily rents, utilities, supplies, and materials.

U.S.-Canada Pacific Salmon Commission, $31,000
This increase of $31,000 is the estimated U.S. share of the increased operating expenses of the new Commission.

International Fisheries Commissions

FY 1987
REQUIREMENTS BY OBJECT CLASS
(dollars in thousands)

Object class	1985 Actual	1986 Estimate	Current Services Adjust	Current Services	Program Changes	1987 Request	1987 Inc/Dec Ovr 1986
Personnel Comp.....	$271	$1,215	--	$1,215	--	$1,215	--
Personnel Benefits.	19	85	--	85	--	85	--
Travel & Trans.....	86	457	--	457	--	457	--
Grants............	9,799	9,543	-$300	9,243	--	9,243	-$300
TOTAL OBLIGATIONS	10,175	11,300	-300	11,000	--	11,000	-300
Unobligated balance	125	--	--	--	--	--	--
TOTAL BUDGET AUTH..	10,300	11,300	-300	11,000	--	11,000	-300

GENERAL STATEMENT

Mr. **DWYER**. We have with us today, John D. Negroponte, Assistant Secretary, Bureau of Oceans and International Environmental and Scientific Affairs. Please proceed.

Mr. **NEGROPONTE**. Thank you, Mr. Chairman.

I have seated next to me Mr. James Lewis, who is the Budget Officer of our bureau.

I am pleased to appear before you today to present a 1987 budget request of $11 million for the International Fisheries Commissions appropriation. This appropriation provides funds for payment of the United States' share of expenses of 11 bilateral and multilateral international fisheries organizations in which we participate; also the International Council for the Exploration of the Sea, and the travel expenses of the United States Commissioners and their advisors.

The 1987 request is a net decrease of $300,000 from the $11,300,000 appropriated in fiscal year '86. Requested increases include salary adjustments of $130,300 for Commission personnel and $111,100 for increases in the operating expenses of the various commissions. These increases are totally offset by reductions totaling $541,400. The single largest of these reductions, totaling $464,000, results from the termination of the International Pacific Salmon Fisheries Commission, and the subsequent merging of its functions into the recently established Pacific Salmon Commission, which brought a larger area of the Pacific coastlines of Canada and the United States under salmon conservation and management procedures.

Mr. Chairman, as you are aware, these commissions have proven to be of great value to the United States fishermen and to the American consumer since they provide a means of ensuring the propagation and guarding against the depletion of species of fish of importance to the United States. Methods that are used to accomplish this include the establishment of catch restrictions and other management and conservation measures to avoid overfishing by the fishermen of member nations of the commissions. The commissions also provide a forum for discussing and resolving problems involving United States fishermen and fishermen of other countries when fishing in common waters for stocks of fish of mutual interest.

EASTERN PACIFIC TUNA AGREEMENT

I would like to give you the current status of our efforts to complete a regional tuna agreement, the Eastern Pacific Ocean Tuna Fishing Agreement, which will affect the future status of the Inter-American Tropical Tuna Commission when the agreement goes into effect after having been signed and ratified by five nations. During the past year, Honduras ratified the agreement, joining Panama and the United States as ratifying parties. We are continuing our efforts to encourage the ratification process in Costa Rica and in Guatemala.

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PACIFIC SALMON COMMISSION

I would like also to report that the Pacific Salmon Commission is making good progress toward reaching full operational status following the inaugural meeting of the American and Canadian Commissioners in September 1985 and the first formal meeting last month. One of their first official actions was the initiation of an executive search for an Executive Secretary. That appointment was announced in February 1986, and we anticipate that the new Executive Secretary will shortly fill the one remaining vacancy on the Commission's Secretariat staff.

Mr. Chairman, that concludes my statement. I will be pleased to answer any questions that you or members of the Committee may have.

[The prepared statement of Mr. Negroponte follows:]

DEPARTMENT OF STATE
1987 BUDGET ESTIMATES

STATEMENT OF
JOHN D. NEGROPONTE, ASSISTANT SECRETARY
BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

Before

THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS

For

COMMERCE, JUSTICE, STATE, THE JUDICIARY AND
RELATED AGENCIES

International Fisheries Commissions

Mr. Chairman and Members of the Committee:

I am pleased to appear before you today to present a 1987 budget request of $11,000,000 for the International Fisheries Commissions appropriation. This appropriation provides funds for payment of the United States' share of expenses of eleven bilateral and multilateral international fisheries organizations in which we participate; the International Council for the Exploration of the Sea; and travel expenses of the United States Commissioners and their advisors.

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I would like to give you the current status of our efforts to complete a regional tuna agreement, the Eastern Pacific Ocean Tuna Fishing Agreement (EPOTFA), which will affect the future status of the Inter-American Tropical Tuna Commission when the Agreement goes into effect after having been signed and ratified by five nations. During the past year Honduras ratified the Agreement, joining Panama and the United States as ratifying Parties. We are continuing our efforts to encourage the ratification process in Costa Rica and in Guatemala.

I would also like to report that the Pacific Salmon Commission is making good progress toward reaching full operational status following the inaugural meeting of the American and Canadian Commissioners in September 1985 and the first formal meeting last month. One of their first official actions was the initiation of an executive search for an Executive Secretary. That appointment was announced in February 1986 and we anticipate that the new Executive Secretary will shortly fill the one remaining vacancy on the commission's Secretariat staff.

Mr. Chairman, I will be pleased to answer any questions that you or Members of the Committee may have.

Mr. **Dwyer**. You mentioned the Executive Secretary.

When will the Commission reach full operational status?

Mr. **Negroponte**. Well, it is operational now and it just had its initial meeting. It has, in fact, at a March 5 to 7 meeting in Vancouver, agreed on some initial conservation measures for stocks covered by the treaty.

Mr. **Dwyer**. And that is the first agenda that they have agreed on, the one you just mentioned?

Mr. **Negroponte**. In addition to the organizational steps that they have been undertaking, this was the first time they actually addressed conservation issues. Apparently—I just spoke to the Federal Commissioner this morning—it was a highly successful meeting.

Mr. **Dwyer**. So they are pretty much up to full steam?

Mr. **Negroponte**. Yes, I think so.

EFFECT OF GRAMM-RUDMAN

Mr. **Dwyer**. Good.

Gramm-Rudman took $486,000 from your appropriation account. What effect does this have on the activities of the Commissions?

Mr. **Negroponte**. Well, if I could say here, sir, that in accordance with the law, that 4.3 percent reduction was applied uniformly against each line item in the appropriation. But our Department plans to appeal through a reprogramming request the method of application of the reduction, i.e., a uniform reduction, but not the amount of reduction itself.

We make this reprogramming request, or will make it, I guess, for several reasons. One, through circumstances unique to FY '86, we would be able to absorb virtually all of this reduction from funds appropriated for the closeout costs of the International Pacific Salmon Fisheries Commission, which proved to be excessive to earlier estimates—that is the Commission that was abolished and folded into this new one we have been talking about—and from residual funds remaining in Commission accounts after all payments have been made. These residual funds have largely resulted from a favorable dollar exchange rate involving payments made in foreign currencies.

Second, by reprogramming the reduction to those accounts with residual funds which would revert to Treasury at the end of the fiscal year, we will eliminate the unnecessary action of placing the United States in arrears in payment of assessed operating expenses of the various commissions.

UNFUNDED PENSION LIABILITY

Mr. **Dwyer**. Last year you mentioned that unfunded pension liability between $800,000 and $900,000.

What is the status of that?

Mr. **Negroponte**. I could ask Mr. Lewis to address that.

Mr. **Lewis**. That has been covered by the closeout costs you provided last year in this appropriation.

Mr. **Dwyer**. In your '86 appropriation you——

Mr. **Lewis**. The actual amount did not prove to be as high as we originally anticipated or as we were told it was going to be.

Mr. **Dwyer**. Well, how high was it? Just for the sake of the record, roughly.

Mr. **Kefauver**. Maybe I can speak to that, sir.

My name is Barry Kefauver, Executive Director of the OES Bureau.

We originally calculated using actuarial estimates of almost a year and a half ago now, that the Commission would need about $1.2 million to close out their unfunded pension liability. It ended up that they needed $800,000 in total. And during those 14 or so months, the Commission itself was able to come up with a fairly substantial amount of that total, plus the difference that we made up through additional funding we received last year. So that unfunded liability is fully paid.

EASTERN PACIFIC TUNA AGREEMENT

Mr. **Dwyer**. Fine.

What are the prospects for ratification this year by Costa Rica and Guatemala of the Eastern Pacific Ocean Tuna? You mentioned they are the two countries that have not signed. The prospects are?

Mr. **Negroponte**. Uncertain. We have been concentrating our efforts on Costa Rica because it is off the coast of Costa Rica that there is the richest fishery. We are trying to encourage the Costa Rican legislature to put that item on its agenda. Thus far, we have not been successful. But they certainly know how important it is to us.

Last year, as I said in my statement, was important in that one more country did ratify the treaty.

Mr. **Dwyer**. Well, thank you, sir, and thank you for being here today.

TUESDAY, MARCH 11, 1986.

UNITED STATES BILATERAL SCIENCE AND TECHNOLOGY AGREEMENTS

WITNESSES

JOHN D. NEGROPONTE, ASSISTANT SECRETARY, BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

JACK W. BLANCHARD, DIRECTOR, OFFICE OF COOPERATIVE SCIENCE AND TECHNOLOGY PROGRAMS

JAMES C. LEWIS, BUDGET OFFICER

Mr. DWYER [presiding]. Next, we will consider the FY 1987 budget request for United States bilateral science and technology agreements. The request is for $2,086,000, which is an increase of $86,000 above the appropriation for fiscal year 1986, adjusted for sequestration under Public Law 99–177.

We will insert at this point in the record the budget justification submitted in support of this request. And, sir, you may proceed again at your own pace.

[The justifications follow:]

U.S. Bilateral Science and Technology Agreements

Balanced Budget and Emergency Deficit Control Act of 1985

($000 in thousands)

1986 Enacted	1986 Sequestered	1986 - Revised
$ 2,000	-$86	$1,914

-PROGRAM, PROJECT, ACTIVITY DETAIL-

Appropriation	1986 Appropriation	1986 Sequester	1986 Revised
S&T Agreement - Yugoslavia	$2,000	-$86	$1,914
Appropriation Total	$2,000	-$86	$1,914

The information presented above represents the Program, Project or Activities (PPA) and amounts for this appropriation identified in the Presidential order issued February 1, 1986. The amounts reflect the application of the 4.3% reduction to each affected PPA without regard to the current status of funds for specific PPA's. In some instances, funds may have been previously obligated and/or disbursed. In these situations, appropriate action will be taken to assure that adequate funds are available when the President's order becomes effective on March 1.

In the document that follows, the 1986 column reflects amounts appropriated by Congress. The effects of the 1985 Deficit Reduction Act were not received in time to be incorporated within individual budget units.

U.S. BILATERAL SCIENCE AND TECHNOLOGY AGREEMENTS

For expenses, not otherwise provided for, to enable the United States to participate in programs of scientific and technological cooperation with Yugoslavia, $2,000,000, to remain available until expended. *(Department of State Appropriation Act, 1986.)*

United States Bilateral Science and Technology Agreements

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
--	$2,000	--	$2,000	--	$2,000	--	--

I. Summary

This appropriation funds the United States' share of expenses for bilateral science and technology (S&T) cooperative agreements between the United States and other countries. Funding for the S&T agreement with Yugoslavia is included in the 1987 request.

Science and technology cooperation is developed on the basis of equality, reciprocity, and mutual benefit. S&T activities include, among other things, joint research projects, workshops or conferences, exchanges of scientists, and exchanges of information and documentation. These bilateral cooperative activities aim more at fostering basic research in a variety of areas of technology than at supplying the technology fixes or technical assistance inherent in "science and technology for development" programs. These activities serve political and economic, as well as scientific, purposes. S&T cooperation with Yugoslavia is viewed by all sides as symbolic of and contributing to the kind of political relationship we want to maintain with such nations. They are a clear expression to hundreds of scientists--important segments of society--of the close and open relations between our countries. Interest in U.S. products and equipment has also developed partly as a result of the exposure they receive through bilateral projects.

II. Current Programs

A five-year S&T Agreement with Yugoslavia was signed in 1980 and provides for a Joint Board on S&T cooperation which approves research projects in such areas as agriculture, ecology, health, transportation, geology, energy, metrology, and basic sciences. To date over 350 projects have been administered by eleven U.S. technical agencies. Sample topics include earthquake engineering, rehabilitation of the handicapped, health problems of coal gasification, epidemiology, metallurgy, and improved animal feed. These projects are jointly financed by this appropriation and a matching contribution by the Yugoslavs.

III. 1987 Plans

The most recent five-year S&T agreement with Yugoslavia officially ended in 1985. Both sides agree in principle that a new five-year agreement should be negotiated and plans toward that end are proceeding. Meanwhile, the previous agreement has been extended until the new agreement comes into force. The new agreement will continue the Joint Board on S&T cooperation.

U.S. Bilateral Science and Technology Agreements

FY 1987
SUMMARY OF ACTIVITIES

	POSITIONS				FUNDS ($000s
	Americans			Total	Total
	Dom.	Ovseas	FSNs	Pos.	Funds
1986 CURRENT ESTIMATE..................................	--	--	--		$2,000
1987 CURRENT SERVICES..................................	--	--	--	--	2,000
1987 REQUEST (BUDGET AUTHORITY)........................	--	--	--	--	2,000
Increase or decrease of 1987 over/from 1986............	--	--	--		--

	POSITIONS			FUNDS		
Comparison of Activities	1985 Actual	1986 Estimate	1987 Request	1985 Actual	1986 Estimate	1987 Request
Diplomatic Relations with Foreign Countries..................	--	--	--	--	$2,000	$2,000
TOTAL BUDGET AUTHORITY...............	--	--	--	--	2,000	2,000

U.S. Bilateral Science and Technology Agreements

FY 1987
Justification of Program Activities

	Positions		Funds
	American	FSN	(in thousands)
1987 Request.....................	--	--	$2,000

U.S./Yugoslavia $2,000,000

As of May 1985, over 350 projects under the 1980-1985 Agreement have been administered by the following eleven U.S. agencies: Department of Agriculture, National Bureau of Standards (Department of Commerce), Department of Health and Human Services, Department of Energy, National Science Foundation, Environmental Protection Agency, Bureau of Mines (Department of the Interior), Geological Survey (Department of the Interior), Smithsonian Institution, National Insitution of Handicapped Research (Department of Education), and the Department of Transportation.

Examples of these projects are: "Integrated Control of Plant Parasitic Nematodes", "Breeding Maize for Improved Protein Quality and Increased Oil Content", "Studies of Tissue Proteinase", "Theoretical Investigations of Physical Surfaces", "Phased Diagrams for Ceramics", "The Synthesis of Plasminogen Activator by Cycling Normal and Transformed Cells in Culture", "Molten Salts Used in Energy Storage, Conversion, and Conservation", and "A Study of Defects in Materials of Interest for Solar Cell Energy Conversion".

Funding requested for 1987 will provide the annual funds for the five-year agreement with Yugoslavia and will ensure the continuation of mutually beneficial research projects similar to those completed under previous agreements.

U.S. Bilateral Science and Technology Agreements

FY 1987
REQUIREMENTS BY OBJECT CLASS
(dollars in thousands)

Object class	1985 Actual	1986 Estimate	Built-in Changes	Current Services	Program Changes	1987 Request	1987 Inc Ovr 1986
Grants............	$2,000*	$2,000	--	$2,000	--	$2,000	--
TOTAL BUDGET AUTH.	2,000	2,000	--	2,000	--	2,000	--

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* Unobligated balance for Poland
reappropriated for Yugoslavia

GENERAL STATEMENT

Mr. **NEGROPONTE**. Thank you.

Mr. Chairman, I am pleased to present a 1987 budget request of $2 million for the United States Bilateral Science and Technology Agreements appropriation. These funds will provide $2 million for the United States' share of funding for the third year costs of a five-year program of scientific and technological cooperation between the United States and Yugoslavia. This funding request represents no increase over the amount appropriated for this purpose in FY '86.

Although the previous U.S./Yugoslav five-year science and technology agreement expired on June 23, 1985, the governments of the United States and Yugoslavia agreed, through an exchange of diplomatic notes, to proceed with the obligation of funding made available in 1985 for the first-year costs of the new agreement, even though the agreement had not yet been signed. This exchange of diplomatic notes enabled the program to continue without interruption while the new agreement is clearing the necessary legislative procedures in Yugoslavia. The second year of the agreement, proceeding under 1986 funding, continues to operate under the exchange of diplomatic notes. We anticipate that the agreement will be formally signed within the near future.

Under the current arrangement with Yugoslavia, funding made available to the United States-Yugoslav Joint Board on Science and Technology Cooperation is used to initiate projects in the areas of technology, agriculture, ecology, health, transportation, and basic science. Following current practice, the Department of State intends, with some exceptions, to use dollars appropriated for this request to purchase U.S.-held Yugoslav dinars, to the extent that they are available, for deposit into the U.S.-Yugoslav Joint Fund. Any dollar expenditures will be made within the United States to the greatest extent practicable. Such dollars would be used, for example, to cover per diem for visiting Yugoslav scientists in the United States on cooperative science projects, to pay the printing costs of project findings in widely distributed scientific journals and, on an exceptional basis, to purchase scientific laboratory supplies and equipment parts critical to joint research being carried out in Yugoslavia.

Mr. Chairman,that concludes my statement. I would be pleased to try and answer any questions you might have.

[The prepared statement of Mr. Negroponte follows:]

DEPARTMENT OF STATE
1987 BUDGET ESTIMATES

STATEMENT OF
JOHN D. NEGROPONTE, ASSISTANT SECRETARY
BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

Before

THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS

For

COMMERCE, JUSTICE, STATE, THE JUDICIARY AND
RELATED AGENCIES

United States Bilateral Science and Technology Agreements

Mr. Chairman and Members of the Committee:

I am pleased to appear before you today to present a 1987 budget request of $2,000,000 for the United States Bilateral Science and Technology Agreements appropriation. These funds will provide $2,000,000 for the United States share of funding for the third-year costs of a five-year program of scientific and technological cooperation between the United States and Yugoslavia. This funding request represents no increase over the amount appropriated for this purpose in FY 1986.

Although the previous U.S./Yugoslav five-year S&T agreement expired on June 23, 1985, the governments of the United States and Yugoslavia agreed, through an exchange of diplomatic notes, to proceed with the obligation of funding made available in 1985 for the first-year costs of the new agreement even though the agreement had not yet been signed. This exchange of diplomatic notes enabled the program to continue without interruption while the new agreement is clearing the necessary legislative procedures in Yugoslavia. The second year of the agreement, proceeding under 1986 funding, continues to operate under the exchange of diplomatic notes. We anticipate that the agreement will be formally signed within the near future.

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Mr. Chairman, I will be pleased to answer any questions that you or Members of the Committee may have.

EFFECT OF GRAMM-RUDMAN

Mr. **Dwyer**. I understand that $86,000 was sequestered under Gramm-Rudman.

What impact did that have on the program? You have a treaty where you agree to spend $2 million, and now Gramm-Rudman takes $86,000 away from you. What——

Mr. **Negroponte**. Yes. I think it will have the effect of causing a corresponding reduction in the Yugoslav contribution if I am not mistaken.

Mr. **Dwyer**. Have they been notified that we are not going to be able to get up our money?

Mr. **Negroponte**. Yes, they have.

Mr. **Dwyer**. Have they responded to this yet?

Mr. **Negroponte**. Well, they were willing to increase their contribution to an equivalent of $3 million in local currency. But they have been notified of this position on our part, and I guess, under the circumstances, there is no choice but to accept it.

It is regrettable, and it results in a corresponding reduction in their contribution. But, under the circumstances, I am not sure. I will see what we can do about it.

Mr. **Dwyer**. Well, I agree with you.

Have you notified them that they may be faced with the same thing next year to a greater amount?

Mr. **Negroponte**. I am not aware——

Mr. **Dwyer**. I mean, as long as you are writing a letter, you might as well, you know, tell——

[Laughter.]

Mr. **Negroponte**. No, we have not done that.

EXEMPLARY UNITED STATES/YUGOSLAV PROJECTS

Mr. **Dwyer**. Can you discuss one or two specific projects that might give us a better understanding of what is being accomplished by this?

Mr. **Negroponte**. Yes, I can.

We have some examples of tangible benefits to American citizens, and this list is by no means exhaustive.

In the area of human health, under a project in which the Department of Agriculture is involved, there is the study of a disease called listeriosis, a livestock disease known to affect humans, which has symptoms resembling mononucleosis. Yugoslav scientists have developed a valid test for detecting this disease and are now investigating the microbiological mechanisms of transmission to prevent contagion. So that is one example.

There is another one involving potential economic benefits. There is a small European wasp and three host-specific parasitic insects which are contributing to the biological control of the American cereal beetle. The wasp, which was first investigated in Yugoslavia and Poland, and now introduced in eight U.S. States, parasitizes and neutralizes the eggs of this destructive beetle. Abundant evidence reveals that these parasites have reduced the cereal leaf beetle problem in recent years to one of minor importance to the United States.

The cost of the alternative, which would have been chemical, or which would be chemical control of this insect, is estimated at approximately $70 to $100 million annually. So, I suppose just in that example alone, you could make the case that it is of significant benefit to the United States in engaging in this kind of cooperation.

Mr. **Dwyer**. Okay. Thank you very kindly. We have some additional questions we shall submit to you and that you can answer for the record.

Mr. **Negroponte**. Thank you. It was a pleasure.

[The questions and the answers thereto, follow:]

Questions for the Record Submitted by Mr. Smith

Impact of Sequestration

Question:

Since Yugoslavia and the United States have each pledged to make available $2 million for five years for this program, are we obligated to make up the $86,000 that was sequestered at some future time?

Answer:

There is no firm commitment with respect to the quantity of money to be deposited annually in the United States - Yugoslavia Joint Fund. Specifically, Article III A of the currently in force agreement states, "The Government of the United States shall deposit in the Joint Fund the dinar equivalent of such amounts as may be appropriated by the United States Congress for each year...." Both sides later formally agreed, however, on a goal of $2 million per year for each side, always subject to Congressional agreement to appropriate the funds. Since the fiscal year 1986 shortfall did not come in the appropriation process, but as a later sequestration, it would seem the Yugoslav side has an argument to the effect that we did not keep our commitment.

The Yugoslavs comprehend the overall intent of the sequestration in reducing the United States deficit. Since the Yugoslav government matches the United States contribution in an equivalent amount, however, it is somewhat difficult for them to understand the reasoning for cutting a previously made appropriation for a program that supports the United States economy to some degree through the purchase of scientific instrumentation and services.

Status of New Agreement

Question:

In your statement you indicated that the previous U.S./Yugoslav five-year agreement expired on June 23, 1985, and that the governments of both countries have agreed through an exchange of diplomatic notes to proceed with the costs of the new agreement even though the agreement has not been signed. What progress are you making on getting the new agreement completed and signed?

Answer:

First, it should be noted that obtaining government approval in Yugoslavia is a very lengthy process. The country consists of six republics and two provinces, each with its own government, and each with its own contribution to the funds which compose the Yugoslav contribution to the Joint Fund. The situation would be analogous to obtaining House and Senate approval of a bill eight-times over, not to mention the difficulties involved in getting eight different philosphically independent government bodies to agree.

The American Embassy in Belgrade was presented recently, on an informal basis, a commentary on the proposed new agreement. The Embassy is in the process of reviewing this commentary prior to formal presentation to the United States side. It is anticipated that a signing date and location will be set when the Joint Board meets in May, 1986.

Expenditure of Funds

Question:

In your statement you indicate that the State Department intends, for the most part, to use the dollars appropriated for this program to purchase U.S./held Yugoslav dinars for deposit into the U.S./Yugoslav joint fund. In the appropriations that were made for fiscal year 1985 and fiscal year 1986, how much was used to purchase dinars for deposit into the fund, and how much was expended in dollars in each year?

Answer:

The United States contribution to the Joint Fund in fiscal year 1985 was $2 million. Of this amount, $1.6 million was used to purchase Yugoslav dinars and $400,000 was deposited as United States dollars.

The United States contribution in fiscal year 1986 was $1.914 million, reflecting the 4.3 percent reduction. Of this amount, $1.5312 million was used to purchase Yugoslav dinars and $382,800 was deposited as United States dollars.

In each fiscal year, the dollar deposit to the Joint Fund amounted to approximately 20 percent of the entire United States contribution.

Expenditure of Funds

Question:

Were all the dollar expenditures made within the United States in each year, and if not, where were they spent and for what purpose?

Answer:

The total United States dollar expenditures were in the United States during fiscal years 1985 and 1986. A major portion of the dollars was used for purchasing airline tickets for visiting Yugoslav scientists, and their per diem support while in the United States. Dollars were also used for the purchase of scientific equipment from United States companies, to replace expendable parts and for servicing of the equipment.

TUESDAY, MARCH 11, 1986.

SOVIET-EAST EUROPEAN RESEARCH AND TRAINING

WITNESSES

JEROME H. KAHAN, DEPUTY ASSISTANT SECRETARY FOR FUNCTIONAL ANALYSIS AND RESEARCH, BUREAU OF INTELLIGENCE AND RESEARCH

ROBERT A. MacCALLUM, EXECUTIVE DIRECTOR

PAUL K. COOK, PROGRAM CONSULTANT

Mr. DWYER [presiding]. The last item we shall consider this afternoon is the fiscal year 1987 budget request for the Soviet-East European Research and Training Program.

The request is for $4 million, a decrease of $594,000 from the appropriation for fiscal year 1986. It has been adjusted for sequestration under Public Law 99-177.

We shall insert the justifications in the record at this point, and we are pleased to welcome to the Committee today Jerome H. Kahan, Deputy Assistant Secretary for Functional Analysis and Research, Bureau of Intelligence and Research.

[The justifications follow:]

Soviet - East European Research and Training

Balanced Budget and Emergency Deficit Control Act of 1985

($000 in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$4,800	-$206	$4,594

-PROGRAM, PROJECT, ACTIVITY DETAIL-

Appropriation	1986 Appropriation	1986 Sequester	1986 Revised
Soviet-East European Research and Training	$4,800	-$206	$4,594
Appropriation Total	$4,800	-$206	$4,594

The information presented above represents the Program, Project or Activities (PPA) and amounts for this appropriation identified in the Presidential order issued February 1, 1986. The amounts reflect the application of the 4.3% reduction to each affected PPA without regard to the current status of funds for specific PPA's. In some instances, funds may have been previously obligated and/or disbursed. In these situations, appropriate action will be taken to assure that adequate funds are available when the President's order becomes effective on March 1.

In the document that follows, the 1986 column reflects amounts appropriated by Congress. The effects of the 1985 Deficit Reduction Act were not received in time to be incorporated within individual budget units.

SOVIET-EAST EUROPEAN RESEARCH AND TRAINING

For expenses not otherwise provided to enable the Secretary of State to reimburse private firms and American institutions of higher education for research contracts and graduate training for development and maintenance of knowledge about the Soviet Union and Eastern European countries, [$4,800,000] *$4,000,000. (Department of State Appropriation Act, 1986.)*

Soviet - East European Research and Training Fund

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr. (-)	
Positions	Funds	Positions	Funds	Positions	Funds	Positions	Funds
--	$4,777	--	$4,800	--	$4,000	--	-$800

I. Summary

The purpose of the Soviet - East European Research and Training Fund is to provide U.S. Government assistance on a stable, long-term basis to develop and maintain a national capability for advanced research and training in the field of Soviet and Eastern European studies by authorizing support for graduate training, advanced research, public dissemination of research data and results, contact and collaboration among government and private specialists, and acquisition by specialists of first-hand experience in the Soviet Union and the countries of Eastern Europe.

II. Current Programs

The Soviet-East European Research and Training Fund is intended to enhance expertise on the USSR and Eastern Europe and maintain the analytical edge which is vital to national security. It assures a high-quality influx of newly trained personnel into this field and simultaneously strengthening research opportunities for seasoned experts through grant support of unclassified research projects in specialities of high interest both to the professional Soviet and East European studies community and to American policymakers.

The Soviet-Eastern European Studies Advisory Committee met initially in October, 1984 to recommend grant policies and to approve the terms for an open competition among national organizations with experience in research and training in the Soviet-Eastern European field. Those national organizations selected as grantees were to serve as intermediaries in distributing to end-users the $4.8 million appropriated by Congress for FY 1985. Following a review of the 21 applications received, the Committee met in December, 1984 and recommended to the Secretary of State ten organizations for support. The Department approved those recommendations in January, 1985. These organizations are: The American Council of Teachers of Russian; The Council for International Exchange of Scholars; The Harvard Russian Research Center; The Hoover Institution/Stanford University; University of Illinois, The International Research and Exchanges Board; The Joint Committee on Eastern Europe; The Joint Committee for Soviet Studies; The National Council for

Soviet - East European Research and Training Fund

Soviet and East European Research; and The Woodrow Wilson Center of the Smithsonian Institution. Grant Agreements have since been signed with all ten organizations, which are currently conducting their own national, open competitions to get the funds out to end-users. The Committee met in August, 1985 to analyze the previous year's progress and to issue the Call for Applications for the $4.8 million appropriated by the Congress for the FY 1986 competition.

III. 1987 Plans

During the fourth quarter of 1986, the Advisory Committee will meet to review the progress of the grant recipients, to discuss problems encountered during the award process, and to begin preparation for the next round of competitions. Once funds for 1987 are appropriated, the Advisory Committee will meet to issue a new call for applications, evaluate those applications received, and make recommendations to the Secretary of State for grant recipients. The Department in turn will continue to act on those recommendations, conduct grant negotiations with the approved organizations, and monitor their progress through the close of FY 1987. Modifications in the program will be based on an intensive review of experience during the first two years of operations.

Soviet - East European and Training Fund

FY 1987
Justification of Program Activities

	Positions		Funds
	American	FSN	(in thousands)
1987 Request.......................	--	--	$4,000

The Department is committed to strengthening the understanding within the United States of events in and long-term developments of the Soviet Union and Eastern Europe countries. The Program's overall purpose is to develop and sustain long-term unclassified research on a national scale dealing with policy issues and questions of Soviet and East European social, political, economic and historical development. This is to be accomplished by replenishing the supply of scholars in this field, strengthening research opportunities for specialists, and utilizing this expertise to conduct unclassified studies of regional questions for use by foreign policy institutions within the USG and the profession as a whole. Considering that the cadre of senior scholars is rapidly being depleted through retirement, a first stage in meeting the overall objective will be to initiate support for junior scholars just now entering the field. To meet the goal of obtaining improved understanding of development in this critical region, the programs will provide what has been sorely absent over the past two decades -- a stable foundation for Soviet and East European studies, a base on which scholars and institutions can rely, build and maintain professional capabilities.

To this end, the Program has already restored vitality to the field of Soviet studies, such as: the establishment of the East European Program at the Wilson Center of the Smithsonian Institution; increased contacts among government and academic specialists; 20 fellowships for Russian language training provided by the American Teachers of Russian; and establishment of the East European Summer Institute by the Joint Committee on Eastern Europe -- a major development in the study of East European languages.

The fund is a research and fellowship grant making instrument administered by the Secretary of State. Funds will be provided to organizations, representative of the profession which, in turn, would provide grants to institutions and individual recipients. To assist the Secretary, advice would be solicited from the congressionally mandated Soviet-Eastern European Studies advisory Committee, which meets at least twice a year. Membership consists of the Secretaries of State, Defense, and Education, the Librarian of Congress, and the Presidents of the American Association for the Advancement of Slavic Studies and the American Association of Universities. The Committee: (1) advise the Secretary on those private sector institutions best able to manage national programs of fellowship and research grants; (2) assist in the formulation of research agendas to be addressed; and (3) review the status of programs supported by the Fund.

Soviet - Eastern Europe Research

FY 1987
REQUIREMENTS BY OBJECT CLASS
(dollars in thousands)

Object class	1985 Actual	1986 Estimate	Current Services Adjust	Current Services	Program Changes	1987 Request	1987 Inc/Dec Ovr 1986
Personnel Comp....	$6	$3	--	$3	--	$3	--
Travel & Trans....	3	2	--	2	--	2	--
Rent,Com & Utility	7	7	--	7	--	7	--
Printing & Repro..	2	3	--	3	--	3	--
Suppl & Materials.	1	1	--	1	--	1	--
Equipment.........	1	--	--	--	--	--	--
Grants............	4,757	4,784	--	4,784	-$800	3,984	-$800
TOTAL OBLIGATIONS	4,777	4,800	--	4,800	-800	4,000	-800
Unobligated balance	23	--	--	--	--	--	--
TOTAL BUDGET AUTH.	4,800	4,800	--	4,800	-800	4,000	-800

SEER-4

GENERAL STATEMENT

Mr. **DWYER**. Mr. Kahan. Proceed at your own pace.

Mr. **KAHAN**. Thank you, Mr. Chairman.

Let me first introduce Mr. Paul Cook who has joined me at the table. Mr. Cook is an advisor to the Director of the Bureau of Intelligence and Research under Title VIII program which we are discussing today.

Since the Committee already has the full text of my statement, I would just like to highlight a few of the key points.

TITLE VIII BACKGROUND

As I know you are aware, Mr. Chairman, Title VIII is the result of the combined efforts of the Congress, the Executive Branch, and the academic community to meet the vital needs to improve our understanding of the increasingly complex societies in the Soviet Union and Eastern Europe.

It was enacted to provide stable long-term financing on a national level for Soviet and East European training and research. We have now completed our first full cycle of activities and we are embarked on our second.

Last year, fiscal 1985, we distributed 4.65 million to 10 national level organizations. This year, fiscal 1986, we plan to distribute 4.59 million, and we are now in the process of negotiating grant agreements with eight national level organizations. In turn, these national level organizations distribute the monies to end users for research grants, graduate training, fellowship programs, exchange students, and language studies.

To show that we indeed have a national program, last year's end users totaled 461 individuals throughout 38 States.

The grant recipients, whether they are national level institutions which in turn pass through to individuals, or individuals themselves, are selected in open competition. To select the national level institutions, we use an advisory committee called for in Title VIII consisting of representatives of both the government and academic communities.

PROGRAM IMPACT

Because of this program, evidence is accumulating that the Soviet-East European studies field is already experiencing a rejuvenation because of the influx of Title VIII funds. We have established new programs, such as that for Eastern Europe at the Smithsonian's Woodrow Wilson Center, to parallel that institution's successful Kennan Institute for advanced Russian studies.

These and other programs have raised the morale of scholars who have suffered from decades of neglect. In sum, I believe we have made a good start. The results of this effort will not be seen immediately since, by definition, this is a long-term program. But I have no doubt that the program will make a fundamental contribution to our knowledge of the USSR and to our national security and foreign policy objectives.

We urge, Mr. Chairman, that you give favorable consideration to our request for $4 million to carry out Title VIII in FY '87, the third year of its operation.

Thank you, and we are happy to answer any questions you may have.

[The prepared statement of Mr. Kahan follows:]

DEPARTMENT OF STATE
FY-1987 BUDGET ESTIMATES

STATEMENT OF JEROME H. KAHAN, Deputy Assistant Secretary
for Functional Analysis and Research
BUREAU OF INTELLIGENCE AND RESEARCH

Before

THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS

For

COMMERCE, JUSTICE, STATE, THE JUDICIARY AND
RELATED AGENCIES APPROPRIATIONS

Title VIII - The Soviet and Eastern European
Research and Training Act
(Bureau of Intelligence and Research)

March 11, 1986

STATEMENT

BY

JEROME H. KAHAN

DIRECTOR OF INTELLIGENCE AND RESEARCH

DEPARTMENT OF STATE

Mr. Chairman and Members of the Subcommittee, I am pleased to discuss the 1987 Appropriations request for $4,000,000 in support of the Soviet-Eastern European Research and Training Act under Title VIII of the State Department's authorization legislation.

I would like to review briefly its background, our activities and accomplishments in meeting the purpose of the Act, and our future plans.

As you recall, Title VIII is the result of the combined efforts of the Congress, the Executive Branch, and the academic community to meet the vital necessity of improving our understanding of the increasingly complex societies in the Soviet Union and Eastern Europe.

These nations will remain central to the pursuit of our national security, economic, and diplomatic objectives for years to come. Apart from the fact that communist rule persists in these countries, that great expanse of the globe, populated by numerous peoples of diverse aspirations and possessing a goodly share of the world's resources and potential, will continue to require our careful attention. We need to know more and understand better.

Recognizing that need, Title VIII was enacted to provide stable, long-term financing to supplement the boom or bust approach of the past, and to ensure that we concentrate on developing a sound infrastructure for Soviet and East European studies rather than focussing on a few institutions or a few subjects that happen to be of current interest. Title VIII monies are addressed to the field as a whole, to institutions and organizations which are meritorious. These monies constitute both long and short term investments in our human capital.

Title VIII assigned line responsibility for the Act to the Secretary of State who has delegated that responsibility to the Director of Intelligence and Research (INR). Title VIII also established an Advisory Committee consisting of representatives of the Secretaries of State, Defense and Education, the Librarian of Congress, and the presidents of the American Association for the Advancement of Slavic Studies and the

Association of American Universities.

The Committee advises the Department on grant policies and recommends to it grant recipients. In FY 1986, the second year of operation, we conducted the second annual, open, national competition for funding and recommended awards totalling $4.59 million to eight organizations. The Secretary of State accepted those recommendations and completion of grant agreements is underway. A list of award designees is submitted for the record.

The grantees cover a diversity of programs and a wide variety of topics. The grants range from $76,000 to $1.2 million. The programs include in country, as well as domestic, language training. Preparations have been made for the 1986 opening of The East European Summer Institute (EESI) at UCLA, an innovative program designed to offer at least six East European languages at one location, bringing professors and students together to pursue an intensive program on a cost-sharing basis. Similarly, the Joint Committee on Soviet Studies is planning to organize a comparable program for non-Russian Soviet languages.

The programs also include a network of graduate and post-doctoral research fellowships, and dissemination programs. The Joint Committee for Soviet Studies has a comprehensive fellowship program to carry junior scholars through post-doctoral training, including shared cost first teaching assignments.

The Soviet-Eastern European field is already experiencing a surge of rejuvenation from Title VIII funds. The establishment of the East European Program at the Woodrow Wilson Center of the Smithsonian, a counterpart to the highly successful Kennan Institute for Advanced Russian Studies, was accomplished with 1985 funding and in cooperation with the Joint Committee on Eastern Europe.

Title VIII also includes several small contracts designed to understand the size and scope of U.S. resources devoted to Soviet and East European studies. We have conducted a preliminary survey of jobs in this field covering government, academia and the business world and expect to publish results this year. All told there are roughly 30,000 people involved in this area; 25,000 in government, 4,000 in academia, and about 1,000 in business.

Last year we testified before you that we hoped to improve our visibility in the field of Soviet-East European studies and thus, to attract a larger, more diversified, more qualified number of applicants. We certainly have become more visible: we circulate the field through 500 plus mailings, stories about our activities are carried routinely in the specialized press, and we carry the message personally to scholarly meetings across the country. But we still feel we can do better, especially if we more clearly define both the purposes of Title VIII and the organizations we seek to attract.

To that end, and with the concurrence of the Advisory Committee, in this year's competition we clarified the criteria used to evaluate the applications as follows:

1. The purpose of Title VIII is to raise the level of American understanding of the USSR and Eastern Europe through investment in human capital. Investment through experienced pass-through organizations national in scope, which can provide appropriate peer group review to end-users, optimizes this goal.

2. Title VIII cannot fund multi-year projects unless it puts the entire amount up front. Funds can only be committed on an annual basis and we legally cannot obligate funds for subsequent fiscal years.

3. On the basis of experience we feel that we need more

expert advice on the needs and appropriateness of funding through Title VIII for journals and other publications, conferences and libraries. To that end we propose that the Department of State sponsor a conference/workshop organized by the AAASS and hosted by the Library of Congress. (The workshop is scheduled for March 17-18.)

4. Lastly, because we will continue to encourage new proposals, we cannot provide assurances of continued support to particular organizations or at current levels. The principle criteria in funding decisions, of course, will continue to be the merits of the proposal and the extent to which it would contribute to the purposes of Title VIII.

Title VIII is making a fundamental contribution to our knowledge, our manpower capabilities, and the quality of foreign and national security policies dealing with a vital area of the world. The effects of the Act will be progressively more noticeable as those participating now mature in their professions. There is still much to be done to provide the stable, long-term investment in human resources necessary to accomplish the purpose of Title VIII.

We urge that you give favorable consideration to our request for $4,000,000 to carry out Title VIII in its third year of operations, FY 1987.

03/04/86

SOVIET-EASTERN EUROPEAN STUDIES PROGRAM
FY-86 GRANT RECIPIENTS

1. American Council of Teachers of Russian

Grant: $76,540*
Purpose: To provide fellowships for *in situ* graduate study of Russian.
Contact: Dan E. Davidson
Director, USSR Programs Group
American Council of Teachers of Russian
815 New Gulph Road
Bryn Mawr, PA 19010 (215)525-6559

2. Hoover Institution/Stanford University

Grant: $191,360*
Purpose: To fund post-doctoral fellowships and summer research grants.
Contact: John B. Dunlop
Associate Director
The Hoover Institution on War, Revolution and Peace at Stanford University
Stanford, CA 94305 (415)723-4273

3. University of Illinois

Grant: $157,879*
Purpose: To partially fund the University's Slavic Reference Service and Summer Research Laboratory on Russia and Eastern Europe.
Contact: Diane Merridith
Program Administrator
Russian and East European Center
University of Illinois at Urbana-Champaign
1208 W. California Avenue
Urbana, IL 61801 (217)333-1244 or 3278

4. International Research and Exchanges Board

Grant: $799,880*
Purpose: To provide improved field access to the US scholarly community by funding (1) short-term visits by senior specialists; (2) regular contact with the non-Russian areas of the USSR; (3) specialized on-site language training; (4) group research and collaborative projects; (5) enhancement of comparative studies using Soviet and EE materials; (6) better preparation for research abroad; and (7) systematic dissemination of field research results.

Contact: Dorothy Knapp
Assistant Director
International Research & Exchanges Board
655 Third Avenue
New York, NY 10017 (212)490-2002

5. The Joint Committee on Eastern Europe of the ACLS and SSRC

Grant: $442,040*
Purpose: To fund research and training fellowships, continued start-up monies for journal on East European politics, and establishment of an East European summer language institute.
Contact: Jason Parker
Executive Associate
Joint Committee on Eastern Europe
228 East 45th Street
New York, NY 10017 (212)697-1505

6. The Joint Committee for Soviet Studies of the SSRC and ACLS

Grant: $805,630*
Purpose: To fund (1) a national fellowship program for junior scholars entering graduate work in Soviet studies, further study by students already having completed two years of graduate work, completion of Ph.D. dissertations, and postdoctoral research by junior scholars, sharing with universities costs of initial appointments; (2) collaborative research projects and dissemination of results; (3) a national competition for grants to American institutions that offer intensive training in the Russian language.
Contact: Blair Ruble
Staff Associate
Social Science Research Council
Soviet Program
605 Third Avenue
New York, NY 10158 (212)661-0280

7. The National Council for Soviet and East European Research

Grant: $1,245,220*
Purpose: To augment existing programs designed to develop and sustain long-term fundamental research dealing with major Soviet and East European policy issues on the basis of a national research agenda, soliciting responsive bids through an annual national competition, and the awarding of contracts.

Contact: Vladimir I. Toumanoff
Executive Director
The National Council for Soviet and
East European Research
1755 Massachusetts Avenue, N.W., Suite 304
Washington, D.C. 20036 (202)387-0168

8. The Woodrow Wilson Center of the Smithsonian Institution

Grant: $789,360*

Purpose: To provide additional support to the Kennan Institute for Advanced Russian Studies ($526,240) and the East European Program ($263,120) for their research and dissemination programs.

Contact: Peter Reddaway
Secretary
Kennan Institute for Advanced Russian Studies
The Wilson Center
Smithsonian Institution
955 L'Enfant Plaza, SW, Suite 7400
Washington, D.C. 20560 (202)287-3105
or
George Hoffman
Acting Secretary
East European Program, The European Institute
The Wilson Center
Smithsonian Institution Building
Washington, D.C. 20560 (202)357-2952

* Actual amounts pending grant negotiations.

(1414Q)

EFFECT OF DEFICIT REDUCTION

Mr. DWYER. Thank you, Mr. Kahan.

What did the $206,000 sequestration from Gramm-Rudman do to you?

Mr. KAHAN. We planned in FY 1987, after Congress allocated the $4.8 million, to allocate that amount of money to the best institutions.

The 4.3 percent cut meant that we chose either to give some institutions less than they would have otherwise received or dropped some institutions entirely. It is difficult to quantify because this program is not a hard science; it is a soft science.

Obviously, there are specific parts of particular programs that we wanted to fund but were unable to fund. I am sure we could give you some examples if you wished. To say that the program was gutted because of a 4.3 percent reduction would be an overstatement. To say that we have lost some studies or fellowships that could have furthered the field would be a true statement.

ADMINISTRATIVE EXPENSES

Mr. DWYER. Last year, Dr. Abramowitz testified that the 10 percent limitation in administrative expenses was causing some problems for some of the grantees.

Does this continue to be a problem?

Mr. KAHAN. No, Mr. Chairman. We have definitely pulled up our socks and the collective socks of all our grantees. The eight grantees this year have all come in and have been approved on the basis of less than 10 percent in administrative costs, so we feel that that problem has gone away.

STABLE FUNDING

Mr. DWYER. Your 1987 budget request is $594,000 below the amount currently available for fiscal '86. And the justification states, and I would like to quote: "Given the stability of this research effort, $4 million is requested."

I wonder if you might elaborate on that statement and maybe you might tell me how the reduction of 13 percent is going to stabilize something?

Go ahead.

Mr. KAHAN. I believe that the intent of the stability phrase was not to argue that as we get cut, we continue to be stable, but rather to cite the goal of Title VIII itself, which is to establish a stable funding program so that this neglected field can be built up and sustained and that scholars and institutions can be generally confident of the level of funding.

I think the intent was to argue that 4 million is perhaps a floor below which we should not fall. If we were asked, "would you prefer to have the Gramm-Rudman 4.3 percent cut back," we would not say no, we would say yes. Quite frankly, our hope prior to Gramm-Rudman was to sustain approximately the levels that we had been granted in fiscal '85 and '86. We originally requested $5 million for fiscal '87 as we had at the beginning of the budget cycle in the prior fiscal year. After the combination of the Office of Management and Budget and Gramm-Rudman, we ended up at $4 million.

So the intent to cite stability, I think, was a plea not to drop below $4 million, but it in no way meant that we define stability as dropping half a million dollars a year. We would prefer next year not only to sustain $4 million, but obviously, if at all possible, go back up to the $4.5 million, if not the $5 million, because we feel that we can productively spend that amount of money consistent with the goals of Title VIII.

Mr. **Dwyer**. But the $5 million would be a little bit less stabilized?

Mr. **Kahan**. Well, we will take that type of instability, Mr. Chairman, any day.

PROGRAM GOALS

Mr. **Dwyer**. Are you satisfied that the—this is actually, in my opinion, a very exciting program. Are you excited that it is moving along nicely and we are really getting there?

Mr. **Kahan**. We all are. The people in the U.S. Government who profit, albeit in a longer-term sense from having an academic infrastructure built up, are excited about it. All the foreign affairs agencies give us major support.

The academic institutions, particularly these large passthrough national institutions, such as the National Council for Soviet and East European Affairs, are tremendously excited, because they view this program as injecting high morale and greater quality of scholarship in a neglected field.

It is one of those programs where our advisory group might quibble over the details of how much money to give to this institution or that, but they all have a fundamental agreement that we have a growth industry here and are extremely pleased with the results. And we are constantly looking for ways to improve what it is we are trying to do.

In my long statement, I mention that we are holding a workshop this summer to try and think through some of the specifics of how we might ensure that our funding next fiscal year is used even more effectively.

PROGRAM CONTACTS

Mr. **Dwyer**. Just one more question.

In your statement you indicated that you have awarded some small contracts designed to understand the size and scope of the amount of U.S. resources devoted to the Soviet and East European studies.

Mr. **Kahan**. Yes, Mr. Chairman.

Mr. **Dwyer**. How much money are you going to spend in this area and what have you found out so far?

Mr. **Kahan**. We plan to spend approximately $20,000.

Is that correct, Mr. Cook?

Mr. **Cook**. We have let thus far one $10,000 grant or contract to the American Association for the Advancement of Yugoslavia Studies to review its 4,000 membership in terms of language competence, area discipline, and area studies.

We are matching that with a $10,000 grant to do the same on the government side of the equation.

Presumably next year there may be some additional money needed on that order of magnitude.

CONFERENCE SUPPORT FOR TITLE VIII

Next week we are having a $20,000 conference at the Library of Congress on the relationship between Title VIII and the needs of libraries, the need of direct funding for conferences, and the question of support for journals. We are bringing in people in their respective fields to spend several days with us, to come up with recommended policies for the Advisory Committee.

We are talking here on the order of $40,000 to $50,000.

Mr. **Kahan**. I may say we have the results of the first $10,000, which is included in my longer statement. So we have some figures.

PERSONNEL IN SOVIET STUDIES FIELD

Mr. **Cook**. There are 30,000 in the field as a whole.

Mr. **Kahan**. 25,000 in government, 4,000 in academia, and about a thousand in business. The U.S. Government study is proceeding to confirm these figures.

Mr. **Cook**. I might add that that figure was a shocker to everybody in government. No one realized that that was the size of the total complement of people working on Soviet affairs and civil military, West Coast, East Coast, and Washington.

Mr. **Dwyer**. Were they surprised because of the——

Mr. **Cook**. Magnitude.

Mr. **Dwyer**. The magnitude.

Mr. **Cook**. And also surprised at the fact that only 5,000 were self-declared linguistically competent. Not that everybody has to be linguistically competent. But if they were, knowing something about the area, they might be able to do a better job for a small level of investment.

Mr. **Dwyer**. Were they surprised at the 1,000 figure in business?

Mr. **Cook**. The business figure is a bit queasy. These are proprietary instincts, and they are not about to "fess up" on everything under the sun.

The figure is a rough approximation based upon a sample of the people that put money into the U.S. side of the U.S.-Soviet Trade and Economic Conference.

There may well be more people. We are talking here about full-time equivalents.

Mr. **Dwyer**. Very good. Thank you very much for being here. And all kinds of good luck and God speed.

Mr. **Kahan**. Thank you, Mr. Chairman.

THURSDAY, MARCH 13, 1986.

INTERNATIONAL JOINT COMMISSION, UNITED STATES AND CANADA

WITNESSES

ROBERT C. McEWEN, CHAIRMAN, U.S. SECTION

JAMES G. CHANDLER, LEGAL ADVISOR

LOUISE L. COX, ADMINISTRATIVE OFFICER

Mr. SMITH. The next item is the International Joint Commission, United States and Canada. The request is for $3,140,000. Our former colleague, Mr. McEwen is here with us to present this item.

We shall insert the justifications in support of this request in the record at this point.

[The justifications follow:]

International Joint Commission

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr. (-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
24	$2,938	24	$3,008	24	$3,140	--	$132

I. Summary

The International Joint Commission implements provisions of the Boundary Waters Treaty of 1909 and related international agreements including the Great Lakes Water Quality Agreement, the Rainy Lake Convention, the Lake of the Woods Convention, and the Columbia River Treaty. The U. S. Section maintains an office in Washington, D.C. and shares equally in the expenses of an office located in Windsor, Ontario.

The International Joint Commission approves (licenses) projects affecting the levels and flows of boundary waters and in some cases transboundary rivers; oversees the operation of projects so approved; issues reports to the Governments of the U. S. and Canada on matters referred to it regarding water quality and quantity and air quality; monitors progress by the Governments of the U. S. and Canada in achieving the purpose and objectives of the Great Lakes Water Quality Agreement; and monitors compliance with water quality objectives in selected rivers along the boundary.

II. Current Programs

During 1985 the Commission played a major role in resolving the long standing dispute regarding the Skagit River in the Province of British Columbia and the State of Washington, as provided in the Skagit River-Ross Dam Treaty.

To assist it in carrying out its responsibilities under the Boundary Waters Treaty, the Commission will continue to consider the conceptual framework of an integrated transboundary monitoring network.

Under the 1978 Great Lakes Water Quality Agreement the Commission will submit its Third Biennial Report to the Governments on progress toward achievement of the purpose and objectives of the Agreement and intends to hold a major international meeting and public consultation process to serve as the basis for Commission advice to Governments on required changes to the Agreement.

International Joint Commission

The Commission will undertake the technical studies required to respond to a recently received reference from the two Governments regarding the potential effect of a proposed coal mine in British Columbia on water uses in the State of Montana within the Flathead River Basin.

Pursuant to its regulatory authority under the Boundary Waters Treaty, the Commission anticipates final resolution of a long standing issue regarding the protection and enhancement of the fishery in the St. Marys rapids (Michigan and Ontario).

The Commission continues to monitor water quality and water quantity in many rivers and lakes along the boundary pursuant to existing reference and regulatory authority. In particular, the Commission will continue to address emergency regulatory measures that might be taken to alleviate potential damage caused by the record high water levels within the Great Lakes Basin.

III. 1987 Plans

The Commission will complete studies, hold public hearings and prepare its final report to Governments on the potential effects of a proposed coal mine in British Columbia on water uses in the State of Montana within the Flathead River Basin.

IJC anticipates the commencement of an investigation of the effects of diking along the Red River in North Dakota and Minnesota on water levels and flows of the Red River in the Province of Manitoba. The Commission also anticipates receiving other new references from the Governments, including specifically the long range transport of air pollutants across the U.S.-Canadian boundary.

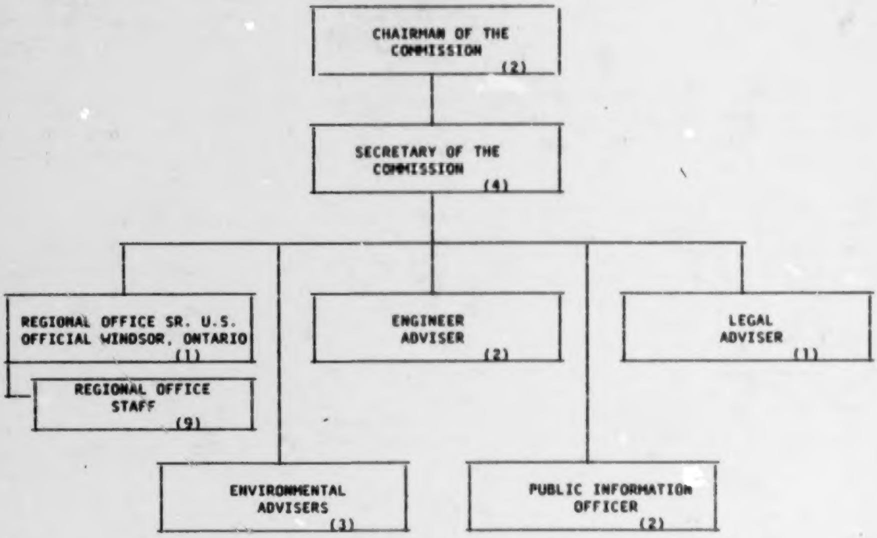
The Commission intends to determine independently the appropriate parameters for the Commission in the area of economic analysis and to continue to consider measures that can be taken to develop a cost effective integrated transboundary monitoring network. A study of groundwater quality in the Great Lakes Basin will also be undertaken by the Commission .

The Commission intends to provide the Governments with advice on improvement that might be made in the 1978 Great Lakes Water Quality Agreement.

International Joint Commission

FY 1987
Organization Chart

Total Positions: 24


CHAIRMAN OF THE COMMISSION (2)
SECRETARY OF THE COMMISSION (4)
REGIONAL OFFICE SR. U.S. OFFICIAL WINDSOR, ONTARIO (1)
REGIONAL OFFICE STAFF (9)
ENGINEER ADVISER (2)
LEGAL ADVISER (1)
ENVIRONMENTAL ADVISERS (3)
PUBLIC INFORMATION OFFICER (2)

International Joint Commission

FY 1987
SUMMARY OF ACTIVITIES

	POSITIONS				FUNDS ($000s)
	Americans Dom.	Americans Ovseas	FSNs	Total Pos.	Total Funds
1986 CURRENT ESTIMATE	15	9	--	24	$3,008
Built In Changes	--	--	--	--	-1
1987 CURRENT SERVICES	15	9	--	24	3,007
Program Changes	--	--	--	--	133
1987 REQUEST (BUDGET AUTHORITY)	15	9	--	24	3,140
Increase or decrease of 1987 over/from 1986	--	--	--	--	132

Comparison of Activities	POSITIONS 1985 Actual	POSITIONS 1986 Estimate	POSITIONS 1987 Request	FUNDS 1985 Actual	FUNDS 1986 Estimate	FUNDS 1987 Request
Diplomatic Relations Through International Organizations						
American Sections, International Commissions						
U.S. Section	24	24	24	$2,287	$2,315	$2,482
Special & Technical Investigations By U.S. Geological Survey	--	--		478	520	485
New Referral Start-Up Fund	--	--	--	173	173	173
Subtotal, American Sections, International Commissions	24	24	24	2,938	3,008	3,140
Subtotal, Diplomatic Relations Through International Organizations	24	24	24	2,938	3,008	3,140
TOTAL BUDGET AUTHORITY	24	24	24	2,938	3,008	3,140

International Joint Commission

FY 1987
Justification of Program Activities

United States Section

	Positions		Funds
	American	FSN	(in thousands)
1987 Request......................	24	--	$2,482

During 1987 the Commission intends to complete work and submit its report to Governments under a recently received reference dealing with the potential effects of a proposed coal mine in British Columbia on water uses in the State of Montana within the Flathead River Basin. The Commission will provide the Governments with advice on improvements that might be made in the 1978 Great Lakes Water Quality Agreement and will consider further the parameters of an integrated transboundary monitoring network related to its existing monitoring requirements.

When the Commission approves an Application under Article III or IV of the Boundary Waters Treaty of 1909, it establishes a board of control to oversee the construction, operation and maintenance of the project in order to assure that the requirements of Article VIII of the Treaty are met concerning the protection of interests which may be adversely affected. Boards of control are generally established to assist the Commission in carrying out regulatory functions under other international agreements. At this time, the Commission has twelve boards of control, they are:

- St. Lawrence River
- Niagara River
- Lake Superior
- Osoyoos Lake
- St. Mary-Milk Rivers
- Kootenay Lake
- Columbia River
- Souris River
- St. Croix River
- Rainy Lake
- Lake of the Woods
- Lake Champlain

The Commission will continue monitoring the activities of these boards during FY 1987.

Article IX of the Boundary Waters Treaty of 1909 provides that the United States and Canadian Governments shall from time to time refer questions or matters of difference to the Commission for examination and report. When a Reference is received from the Governments, the Commission appoints an investigative board to investigate and advise the Commission on the matters under the Reference. After the Commission reports to the Governments on a Reference and they take appropriate action, the Commission is often asked to undertake a continuing surveillance role to monitor progress being made to achieve agreed objectives. To assist it in carrying out this responsibility, the Commission generally appoints a surveillance board. At this time, the Commission has eleven investigative and surveillance boards, they are:

- St. Croix River Pollution
- Rainy River Pollution
- Red River Pollution
- Air Pollution Boundary
- Great Lakes Water Quality
- Great Lakes Science Advisory
- Flathead River
- Souris and Red Rivers
- Great Lakes Diversions and Consumptive Uses
- Great Lakes Technical Information Network
- Great Lakes Levels Advisory Board

The Commission will continue its activities under these References, including monitoring the activities of its advisory boards.

Under the Great Lakes Water Quality Agreement of 1978, the Commission has been given the responsibility of coordinating joint programs and studies, determining compliance with agreed objectives, assessing the effectiveness of the pollution control programs provided in the Agreement, coordinating related research between the two countries, reporting annually to the Governments with appropriate recommendations and providing information to the public on the above subjects. As required by the Agreement, the Commission established the Great Lakes Water Quality Board, which serves as the Commission's principal adviser on matters pertaining to the Agreement, and the Great Lakes Science Advisory Board to advise the Commission on research and scientific matters. The Boards provide major reports tc the Commission at public meetings annually.

The Commission, as authorized by the Great Lakes Water Quality Agreement, has established a Regional Office in Windsor, Ontario, to assist it in the work required by the Agreement. The Office assembles and analyzes data to determine compliance with water quality objectives, performs independent evaluations when required, acts as a secretariat to the Great Lakes Water Quality Board and the Great Lakes Science Advisory Board, and provides direct staff support to the Commission on matters related to the Agreement, including public information.

In conjunction with these activities, the Commission will hold two week-long semi-annual meetings (as required by its Rules of Procedure) to consider on-going activities under References and Applications. The Commission will also hold its annual Great Lakes Water Quality Meeting under the 1978 Great Lakes Water Quality Agreement. Executive Meetings and public hearings, in additional to those identified above, are scheduled to consider specific issues under on-going References and Applications.

Special & Technical Investigations U. S. Geological Survey

	Positions		Funds
	American	FSN	(in thousands)
1987 Request......................	--	--	$485

The Boundary Waters Treaty of 1909 and subsequent proceedings of the International Joint Commission provide for maintenance of the natural level of flow of boundary waters between the United States and Canada, and their division or diversion, as well as for other boundary water problems that might arise. Technical assistance is provided to the United States Section of the International Joint Commission by the U. S. Geological Survey, principally by the collection and analysis of streamflow data (quantity, quality, sediment load) on international boundary waters. The information provided is necessary for the effective accomplishment of the investigative, administrative, and judicial functions of the Commission.

The total 1987 program is to assist the Commission by obtaining water information for currently active studies referred to the Commission by the Governments of the United States and Canada; carrying out the pertinent portions of international agreements and Commission Orders; investigating the water resources of problem areas or of those subject to international development; anticipating and resolving water apportionment disputes and other water problems; and analyzing the water situation as required.

This is a continuing program that provides for collection and analysis of streamflow data and other hydrologic information; collection and analysis of chemical quality and sediment data; operation, maintenance and reconstruction of gaging station structures and equipment; making detailed computations and issuing appropriate directives pertaining to the apportionment of available supplies in the St. Mary-Milk Rivers basins as specified in the Boundary Waters Treaty of 1909 and subsequent Commission Orders; participation in activities of international engineering boards, committees, and work groups, including attendance at meetings and conduct of special studies as required; and technical liaison with representatives of the Water Survey of Canada to provide for interchange and mutual acceptance of data for international gaging stations, special studies, and apportionment procedures.

International Joint Commission

New Reference Referral Start-up Fund

	Positions		Funds
	American	FSN	(in thousands)
1987 Request.....................	--	--	$173

This fund permits the initiation of activities on new Applications under Articles III, IV, and VIII of the Boundary Waters Treaty of 1909 and new References under Article IX of the Boundary Waters Treaty received by the Commission until the Commission and the involved Federal and State agencies have funds incorporated into their appropriations to continue this work. One new unanticipated reference is now before the Commission: an investigation of the potential effects of a proposed coal mine in British Columbia on water uses in the State of Montana within the Flathead River Basin. In addition, in 1986 and 1987 three new References are expected to be received on which the Commission should begin work. They are on the effects of diking along the Red River (North Dakota, Minnesota and Manitoba), on water quality in the Stikine River Basin (Alaska-British Columbia), on the long range transport of air pollutants, including acid rain.

In light of the current state of discussions between the Governments of the U. S. and Canada regarding measures to be taken with respect to the long range transport of air pollutants, the Commission has concluded that it will receive a major air pollution reference from these Governments. This Reference will involve major investigative efforts by the Commission and will cover such issues as acid rain and the transcontinental and international movement of toxic chemicals. Because this reference has not been received to date and the parameters are consequently not known, specific programs cannot be included in the 1987 budgets of the Commission or the federal agencies that will assist it in carrying out the required studies and other activities. As a result, the Commission's Reference Referral Fund must be relied upon to provide funding support until the programs can be included in agency budgets. The ability of the Commission to proceed immediately when the reference is received is essential to the achievement of U. S. foreign policy objectives because the subject of the reference is the most significant current environmental issue between the U. S. and Canada. It involves the potential for multibillion dollar expenditures in both the U. S. and Canada to control air pollution along the U.S.-Canadian border.

International Joint Commission

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate	15	9	--	24	$3,008
Built-In Changes					
Non-Recurring Decreases					
Reconstruction of Gauging Station	--	--	--	--	-40
Annualization of 1986 Increases					
Federal Wage Increase	--	--	--	--	6
1987 Wage Increases					
Within-Grade Increases	--	--	--	--	11
Federal Wage Increase	--	--	--	--	9
SUBTOTAL, 1987 Wage Increases	--	--	--	--	20
1987 Price Increases					
Domestic	--	--	--	--	13
SUBTOTAL, Built-In Changes	--	--	--	--	-1
1987 Current Services	15	9	--	24	3,007
Program Changes					
Other Program Activities:					
IJC Ongoing Reference Work	--	--	--	--	30
Groundwater Study	--	--	--	--	38
Consulting Fees	--	--	--	--	15
IJC Economics Program Capability	--	--	--	--	50
SUBTOTAL, Other Program Activitie	--	--	--	--	133
SUBTOTAL, Program Changes	--	--	--	--	133
1987 Request (Budget Authority)	15	9	--	24	3,140

International Joint Commission

FY 1987
Explanation of Built-In Changes

NON-RECURRING

Reconstruction of Gauging Station, -$40,000.

These funds were used to replace a major gauging station in the Souris River Basin in FY 1986. This was a one-time cost and will not recur in 1987.

ANNUALIZATION, $6,000.

Personnel Benefits, $3,000.

The increase is for additional costs for personnel benefits which were calculated at 11.6% of personnel compensation requirements.

Federal Wage Increases, $3,000.

Annualizing costs for within-grade salary increases which occurred in 1986.

WAGE INCREASE

Within-grade Salary Increases, $11,000.

This increase will provide for within-grade salary increases for American personnel. The amount has been calculated on the basis of current experience and taken into consideration savings from personnel turnover and grade-to-grade promotions. The increase affects the costs for basic compensation, terminal leave, and personnel benefits.

Other Federal Wage Increases, $9,000.

In 1987 a $9,000 increase will fund an average 6% pay revision for Canadian employees in the Windsor, Ontario Regional Office. This increase is equivalent to the annual pay adjustment provided U. S. federal employees. The expense of the Regional office must be shared equally by the U.S. and Canada under the terms of the 1978 Great Lakes Water Quality Agreement. All pay revisions call for retroactive payments for at least six months.

International Joint Commission

FY 1987
Explanation of Requirements

PRICE INCREASE, $13,000

Rent, Communication, Utilities & Postage, $1,000.

It is estimated that the costs will increase 4.2% in 1987 for office machine rentals; i.e. postage meter, telecopy and photocopy equipment, for the Washington office and the duty station offices of the three Commissioners.

GPO Printing, $2,000.

The Government Printing Office (GPO) has indicated that the cost for labor, paper, and commercial procurement will increase approximately 6% in 1987.

Maintenance Contracts, $1,000.

It is estimated that the costs will increase approximately 4.2% in 1987 for machine maintenance contracts (IBM, Xerox, Wang, Canon & Pitney Bowes). These maintenance contracts are critical to the functioning of the office.

Supplies & Subscriptions, $2,000.

This increase of 4.2% is due to the higher costs of general office supplies necessary to the functioning of the office and technical publications and subscriptions purchased for the Commission's use to maintain awareness of Canadian-American affairs relevant to its references and mission.

Airfares, $7,000.

Air fares continue to increase; it is estimated that these costs will rise approximately 4.2% in 1987.

International Joint Commission

FY 1987
Justification of Program Changes

INCREASES

Program Changes, $133,000:

Ongoing Reference Work, $30,000. These funds are requested to continue on-going reference work (questions on differences referred to the Commission by the U. S. and Canadian Governments) scheduled for FY 1986 but not undertaken due to budget reprogramming to meet absorption of pay increases. This increase will restore the base for on-going reference work to $120,000, the amount contained in the FY 1986 submission. The funds requested will be used primarily for work related to the 1978 Great Lakes Water Quality Agreement.

Groundwater Study, $38,000.

The pollution of groundwaters from leaking toxic waste dump sites is a problem of increasing political, diplomatic, health, and scientific concern between the United States and Canada. In fact, after acid rain, the toxic waste dump site problems and groundwater contamination are the second most serious environmental foreign policy concern between the United States and Canada. Groundwaters, once contaminated, are very difficult and expensive to rehabilitate, and the resource is unusable for decades after. Therefore, it is important to prevent groundwaters from becoming contaminated and also to have a "warning system" to plan for resource use where groundwaters are vulnerable to contamination from nearby dump sites. The IJC's Great Lakes Science Advisory Board has recommended that the most effective "warning system" is a monitoring system keyed to a series of hydrological maps of groundwater strata and related sites which are used for waste repositories or offer geological transport routes from dump sites or pollution discharge zones nearby. Such hydrological maps are expensive to produce and require a specialized research and planning which are not currently being carried out within the groups assisting the IJC. Therefore, the IJC's Great Lakes Science Advisory Board has developed a design protocol for the groundwater mapping study and recommended a special groundwater initiative to produce the needed maps. The study would be jointly funded by the United States and Canada, the United States share being $38,000. This work will be funded through an inter-agency agreement and supervised by the IJC's Great Lakes Science Advisory Board. The initial phase of the work will be accomplished in FY 1987, with the remainder being completed in FY 1988.

Consulting Fees (Science Advisory Board), $15,000. The Science Advisory Board was established by the terms of the 1978 Great Lakes Water Quality Agreement to provide the Commission with expert advice on scientific and research matters. Each member is a recognized expert in his or her discipline. Several members of the Science Advisory Board are self employed individuals who receive no compensation when participating in Board meetings. Based upon its experience the Commission has determined that if it is to continue to receive the expert advice it requires to carry out its responsibilities under the Great Lakes Water Quality Agreement, it must compensate those self employed individuals for their services. These funds will permit the Commission to retain the expert advice that it requires. There are no funds in the Commission's base budget for this activity. This will be an on-going activity.

Economics Program Capability, $50,000. To an increasing extent in recent years the Commission has been called upon to undertake analyses of the economic effects and implications of matters under its jurisdiction. This has been particularly true of issues related to Great Lakes water quality and diversions and consumptive uses of Great Lakes water. We expect this trend to continue. To date the U. S. Section has been at a distinct disadvantage vis-a-vis the Canadian Section which has a Senior Economist as part of its permanent staff. In the absence of in-house capabilities for economic analysis, the U. S. Section has no authoritative standard by which to measure the depth of analysis required. In order that the reports and other work of the Commission not jeopardize U. S. foreign policy interests, the U. S. Section has concluded that it requires an independent assessment of the economic issues and parameters that are appropriate to the work of the Commission. The U. S. Section intends to accomplish this task principally by means of interagency agreements with appropriate U. S. federal agencies, e.g. the Office of Technology Assessment and the Department of Commerce. There are no funds in the base for this activity. This will be a non-recurring activity in FY 1988.

International Joint Commission

FY 1987
REQUIREMENTS BY OBJECT CLASS
(dollars in thousands)

Object class	1985 Actual	1986 Estimate	Current Services Adjust	Current Services	Program Changes	1987 Request	1987 Inc/Dec Ovr 1986
Personnel Comp....	$1,366	$1,564	$22	$1,586	--	$1,586	$22
Personnel Benefits	145	205	4	209	--	209	4
Travel & Trans....	263	298	7	305	$30	335	37
Trans. of Things..	29	26	--	26	--	26	--
Rent,Com & Utility	243	236	1	237	--	237	1
Printing & Repro..	95	94	2	96	--	96	2
Other Services....	536	350	-39	311	103	414	64
Suppl & Materials.	44	48	2	50	--	50	2
Equipment.........	7	14	--	14	--	14	--
Grants............	--	173	--	173	--	173	--
TOTAL BUDGET AUTH.	2,728	3,008	-1	3,007	133	3,140	132
Unobligated balanc	210	--	--	--	--	--	--
TOTAL BUDGET AUTH.	2,938	3,008	-1	3,007	133	3,140	132

IJC-14

Mr. McEwen. Thank you, Mr. Chairman.

General Statement

Mr. Smith. Please proceed with your statement.

Mr. McEwen. It is a pleasure to again appear before you in request of the United States Section of the International Joint Commission.

I have with me today Mr. James G. Chandler, sitting next to me, who is the Legal Advisor of the United States Section. And sitting to my right Ms. Louise Cox, who is our administrative Officer.

If I may, Mr. Chairman, the balance of the first two pages I would like to insert in the record.

Mr. Smith. All right, we will do that.

Mr. McEwen. Which is a little history of the Commission that you have heard before.

The fiscal year 1987 budget request, as you mentioned, of the United States Section of the International Joint Commission totals $3,140,000, of which $485,000 will be allocated to the U.S. Geological Survey.

The total represents a net increase of $132,000. This includes a decrease of $40,000 and an increase of $39,000 in built-in changes and $133,000 in program changes. The built-in changes consist of a decrease of $40,000 for the one-time cost of the reconstruction of a major gauging station in the Souris River Basin as well as an increase of $26,000 for salary and related benefit costs, and $13,000 for domestic price increases in travel, transportation, printing, supplies, technical publications, and other services.

The program increases consist of $30,000 for ongoing work on existing references, $15,000 for consulting fees for science advisory board members, $50,000 for an economics program capability study, and $38,000 for a ground water mapping study to determine the potential for pollution from toxic waste dump sites in the Great Lakes region.

Among the activities and planned accomplishments during the coming fiscal year are the following: First and foremost, the Commission will be devoting much of its effort for the remainder of this fiscal year and most of next fiscal year on the issue of extremely high water levels in the Great Lakes Basin. All of the Great Lakes except Ontario are currently at record high levels. And Ontario is rising rapidly. We expect this situation to continue for the foreseeable future.

We are fearful that this situation will lead to hundreds of millions of dollars of damage to our shore property in the Basin. Most of this will occur during storms, which are particularly severe during spring and fall of each year.

Compared to natural forces there is little if anything the Commission can do to reduce the water levels given the control works that are at our disposal. All we can do is to inform governments and citizens of the situation that exists and encourage cooperative action that will minimize property damage.

This is an unhappy and thankless task. But affected citizens in both the U.S. and Canada need to be continually warned of the potential and indeed likely disaster. And the Commission must render to the best of its ability assistance in this regard.

Second, last year the Commission received from the governments of the United States and Canada a reference concerning the possible effects of a proposed coal mine located in the Province of British Columbia on waters used in the Montana portion of the Flathead River Basin.

This is a matter of extreme significance to the people of Montana who fear the coal mine may seriously jeopardize important wilderness and recreational areas in the Basin. The basin includes a portion of Glacier National Park, designated wilderness areas, and national forest. And a portion of the Flathead River has been designated a wild and scenic river.

The technical portions of this study under the direction of the Commission's Flathead River International Study Board is now well under way. We expect the investigation to be completed during FY 1987.

I should add at this point, Mr. Chairman, that progress on this investigation has been greatly assisted by your Committee's concurrence in the use of our New Reference Referral Startup Fund. We are most grateful for your assistance.

Third, the Commission will be meeting at least quarterly with its Great Lakes Quality Board and Science Advisory Board to assess progress being made by our two countries in achieving the purposes and objectives of the 1978 Great Lakes Water Quality Agreement.

During this fiscal year the Commission has issued a Supplementary Order of Approval regarding a new structure to control the levels of Lake Osoyoos, between the State of Washington and Province of British Columbia.

The Commission also intends to submit its third biennial report under the 1978 Great Lakes Water Quality Agreement, an event that will trigger consultations between the two governments.

These, Mr. Chairman, are highlights of the request of the U.S. Section of the International Joint Commission for FY 1987. I will be glad to attempt to answer any questions you or other members have.

[The prepared statement of Mr. McEwen follows:]

DEPARTMENT OF STATE
1987 BUDGET ESTIMATES

STATEMENT OF
ROBERT C. McEWEN, CHAIRMAN, U.S. SECTION
INTERNATIONAL JOINT COMMMISSION
(UNITED STATES AND CANADA)

Before

THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS

For

COMMERCE, JUSTICE, STATE, THE JUDICIARY
AND RELATED AGENCIES

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS
(INTERNATIONAL JOINT COMMISSION)

Mr. Chairman and Members of the Committee:

It is a pleasure to again appear before you to present the request of the United States Section of the International Joint Commission for 1987. I am Robert C. McEwen, Chaiman of the United States Section. I have with me today Mr. David A. LaRoche, Secretary of the United States Section and Mrs. Louise L. Cox, Administrative Officer.

The International Joint Commission (U.S. and Canada) was established by the terms of the Boundary Waters Treaty of 1909. The Commission represents a unique effort between neighboring nations to work together cooperatively in preventing and resolving differences along the shared boundary. The Commission's work includes regulation of water levels and flows along the boundary through Boards of Control which oversee the allocation of waters or monitor the conditions for approved structures (i.e., impoundments, locks, gateways) which have the effect of either changing the levels of boundary and transboundary waters or the quantities of these waters available to various users. The Commission also conducts studies requested by the two Governments on various environmental issues along the boundary.

The Commission is a six-member group. Three are appointed by the President of the United States with the advice and consent of the Senate; three are appointed by the Prime Minister of Canada. The United States Section has its headquarters in Washington D.C. The Canadian Section has its headquarters in Ottawa. In addition, both countries share the expense of a jointly staffed Regional Office in Windsor, Ontario. The function of the Regional Office is to assist the Commission with its responsibilities to assess progress by the two countries under the Great Lakes Water Quality Agreement of 1978 by collecting information, analyzing data, acting as a Secretariat to technical advisory groups and committees, and providing expert scientific and technical assistance to the Commission on Great Lakes issues.

Additionally, the U.S. Section contracts with the U.S. Geological Survey for data collection of water flows, water quality, and sediment transport in all watersheds for which the Commission has reference other than in the Great Lakes Region. This supports the work of several of the Commission's Boards with responsibilities for waterways and projects in the States of Maine, New York, Minnesota, North Dakota, Montana, Idaho and Washington.

The Fiscal Year 1987 Budget request for the United States Section of the International Joint Commission totals $3,140,000 of which $485,000 will be allocated to the U.S. Geological Survey (U.S.G.S.). The total represents a net increase of $132,000. This includes a decrease of $40,000 and increases of $39,000 in built-in changes and $133,000 in program changes. The built-in changes consist of a decrease of $40,000 for one-time cost for the reconstruction of a major gauging station in the Souris River Basin as well as increases of $26,000 for salary and related benefit costs and $13,000 for domestic price increases in travel, transportation, printing, supplies and technical publications and other services. The program increases consist of $30,000 for on-going work on existing references; $15,000 for consulting fees for Science Advisory Board members; $50,000 for an Economics Program Capability Study and $38,000 for a groundwater mapping study to determine the potential for pollution from toxic waste dump sites in the Great Lakes region.

Among the activities and planned accomplishments during the coming fiscal year are the following:

First and foremost, the Commission will be devoting much of its effort for the remainder of this fiscal year and most of next fiscal year on the issue of extremely high water levels in the Great Lakes Basin. All of the Great Lakes except Ontario are currently at record high levels, and Ontario is rising rapidly. We expect this situation to continue for the foreseeable future. We are fearful that this situation will lead to hundreds of millions of dollars of damage to shore property in the basin. Most of this will occur during storms, which are particularly severe during the spring and fall of each year. Compared to natural forces, there is little if anything the Commission can do to reduce the water levels given the control works that are at our disposal. All we can do is to inform governments and citizens of the situation that exists and encourage cooperative action that will minimize property damage. This is an unhappy and thankless task, but affected citizens in both the U.S. and Canada need to be continually warned of potential, indeed likely, disaster and the Commission must render, to the best of its ability, assistance in this regard.

Second, last year the Commission received from the Governments of the U.S. and Canada a reference concerning the possible effects of a proposed coal mine located in the Province of British Columbia on water uses in the Montana portion of the Flathead River Basin. This is a matter of extreme significance to the people of Montana who fear that the coal mine may seriously jeopardize important wilderness and recreational areas in the basin. The basin includes a portion of Glacier National Park, designated wilderness areas and national forest and a portion of the Flathead River has been designated a wild and scenic river. The technical portion of the study, under the direction of the Commission's Flathead River International Study Board, is now well underway. We expect the investigation to be completed during FY 1987.

I should add at this point, Mr. Chairman, that progress on this investigation has been greatly assisted by the Committee's concurrence in the use of our New Reference Referral Start Up Fund. We are most grateful for your assistance.

Third, the Commission will be meeting at least quarterly with its Great Lakes Water Quality Board and Science Advisory Board to assess progress being made by the two countries in achieving the purposes and objectives of the 1978 Great Lakes Water Quality Agreement.

During this fiscal year, the Commission has issued a Supplementary Order of Approval regarding a new structure to control the levels of Lake Osoyoos, between the State of Washington and the Province of British Columbia. The Commission also intends to submit its third biennial report under the 1978 Great Lakes Water Quality Agreeement, an event that will trigger consultations between the two governments on possible amendments to the Agreement.

These, Mr. Chairman, are highlights of the request of the U.S. Section of the International Joint Commission for FY 1987. I will be glad to answer any questions you or the members of the Committee may have regarding this request.

HIGH WATER LEVELS IN GREAT LAKES BASIN

Mr. Smith. Why are the water levels in the Great Lakes so high?

Mr. McEwen. For a number of years, Mr. Chairman, we have had excessive amounts of rainfall in the Great Lakes Basin. All of the Great Lakes except Lake Ontario have been running in the last year almost double the normal amount of precipitation—Ontario was not until last fall— on the surface of the lakes and the U.S. and Canadian shore around the Basin. I heard a hydrologist describe that when you get in a period of tremendous amounts of precipitation, more than normal, that the basin around the lakes becomes like a saturated sponge. Then you really get runoff because it just cannot soak up any more water.

So all of the lakes, Superior, Michigan, Huron, Erie, and Lake St. Clair we also measure separately—all hit all time highs in 1985. The only one that did not was Lake Ontario, and it has been going up now.

Of course, one reason is that except for, what is it, Mr. Chairman, 3200 CFS in Chicago, that goes down the Illinois Waterway and through the New York State Barge Canal, that I do not think is gaged, it is a very small amount. The rest of it has got to continue through the lake system, over Niagara Falls, Lake Ontario, and through the St. Lawrence River.

With a heavy southwest wind here last fall, the flows in the Niagara River exceeded 400,000 cubic feet per second. The tourists that were there to see the falls that day must have had a really spectacular sight to view to see that amount of water coming down that river. So that is a problem.

All the Great Lakes, we only have a control board and order on the upper and lower, on Superior at the upper end and Ontario at the lower end. The other lakes are unregulated.

SEQUESTRATION, 1986

Mr. Smith. How are you going to handle this $129,000 sequestration?

Mr. McEwen. Well, we have got a number of things that we looked at, Mr. Chairman, that in combination can handle it, I hope, without jeopardizing our ongoing work. As you know, we have the Washington office and then we have a shared responsibility with Canada at the regional office at Lake Windsor, Ontario.

First, with regard to the Washington office, we intend to reduce travel expenditures. And may I say parenthetically that is where problems come up. Because we have had, including Congressional requests, and very understandably for commissioners or staff or both, to meet with citizens on the problems of the high water levels. We had one meeting up on Lake Superior, and there were 1400 people that packed into the hall. That is the sort of concern there is.

Notwithstanding that, we are going to try to reduce our travel expenditures in the Washington office. We intend to defer the purchase of any new equipment in this office. We have one little problem there, Mr. Chairman. GSA and our landlord have not come to an agreement on renewing our lease. They are $.50 a square foot apart.

Mr. SMITH. Where is your building?

Mr. McEWEN. 2001 S Street, N.W. It is just off Connecticut Avenue, about two blocks below the Washington Hilton. And what we are concerned about is the last time we moved, reconnecting the telephones, carpeting, moving expenses, we are afraid it will cost more than the difference they are apart on this rent negotiation. I hope somehow they can settle it.

Mr. SMITH. How many square feet do you have?

Mr. McEWEN. We were reduced recently.

Ms. COX. We have 5500 now.

Mr. McEWEN. Thank you, Ms. Cox. 5500 now.

Mr. SMITH. How many employees do you have?

Ms. COX. 24 permanent, two commissioners. In Washington probably about 18 to 19 with our contact people.

Mr. McEWEN. Yes. See, we have U.S. professional staff at Windsor, support staff is all Canadian. But the professional staff, marine biologists, toxocologists, are equal U.S. and Canadian in Windsor.

So there are, Ms. Cox, nine I believe at the moment of ours up there?

Ms. COX. Nine, yes.

Mr. McEWEN. In Windsor, Ontario. To go on in the equipment we want to defer—we do not want to, but we will defer some training activities for commissioners and staff. We will reduce to a limited extent the funds available for new references.

But there again, what the Governments decide to give us in the way of references we will have to deal with. For instance, I was just talking to John Dingell of Michigan. He has been at the forefront of leadership in the matter of a new reference on a plan of regulation for the lakes. And a number of the state delegations have been joining in this. And I understand it is being seriously discussed between the State Department and External Affairs. And if you have that sort of reference, it is a question of how much can we reduce there.

In the Windsor regional office there have been some lapsed positions. But some are in the final stages of being filled, but we may be able to defer something there. And on workshops, our Science Advisory Board and subcommittees and the Water Quality Board, we are going to look at those, to see if we can reduce those. And printing of reports if possible we are going to defer on those.

Finally, we have reduced our allocation to the U.S. Geological Survey.

Mr. SMITH. How many Canadian nationals are there that live and work in Canada that are affected by your budget?

Mr. McEWEN. Well, if we cut a dollar, we would have to cut Windsor, if we can disregard the exchange rate a minute, [two dollars], because it is on a matching basis, the Windsor operation. We are really controlled by I guess the smaller appropriation of either government is what it comes down to.

CANADIAN WAGE RATES

Mr. SMITH. What is happening to their wage rates up there?

Mr. McEwen. Mr. Chairman, they have continued to go up. I would turn to Ms. Cox or Mr. Chandler on what they have heard on the recent one.

By the way, up there, it seems like every group, clerks, secretaries, scientific people, they all have their own bargaining units. And you find out afterwards what the increase is. So it is a little different than our system in that regard.

Mr. Chandler. And then the pay raises are all retroactive, so you have to absorb that.

Mr. Smith. Retroactive how far back?

Mr. Chandler. Six months. Recently the pay increases have not been as high as they were in the past.

Mr. Smith. What percentage has it been recently?

Ms. Cox. Six percent.

Mr. Chandler. Which is higher than in the U.S.

EXCHANGE RATE

Mr. Smith. What is the present rate, about 71?

Mr. McEwen. 70, 71.

Mr. Smith. Is your budget affected very much by the change there?

Mr. McEwen. Well, to the extent that the exchange rate increasingly favors us when the adjustment time comes, that that does help, that has helped us.

Mr. Smith. Lately there has not been as much difference in the exchange rate with Canada as in other countries, has there?

Mr. Chandler. It has been fairly constant, running at about $.70.

Mr. Smith. Well, I think anything else we have, we will submit the questions to you and you can answer them for the record. Thank you.

Mr. McEwen. Thank you very much, Mr. Chairman.

[The questions and the answers submitted thereto, follow:]

Questions for the Record Submitted by Mr. Smith

Ongoing Reference

QUESTION:

You have requested $30,000 to continue your on-going reference work. What will these funds be used for?

ANSWER:

These funds will be used primarily for work related to the 1978 Great Lakes Water Quality Agreement as well as our air quality reference. This increase will bring the base for ongoing reference work back up to $120,000. Our 1986 budget submission included a base of $120,000 for this purpose. However, it was necessary to reprogram $30,000 from this activity to cover the recurring costs of 1985 pay increases. This increase will enable us to undertake work that was postponed in 1986 on the following.

--Great Lakes Levels Advisory Board.....	$ 30,000
--Great Lakes Water Quality.............	35,000
--Transboundary Monitoring..............	20,000
--Flathead River........................	35,000
TOTAL...................................	$120,000

QUESTION:

What is the status of the Reference Referral Fund, what projects were carried out with resources from the fund during the past year, and what projects do you plan for fiscal year 1987?

ANSWER:

The New Reference Referral Start-up Fund is working as intended by the Committee and the Commission when it was established some years ago. It enabled the Commission to respond in a timely fashion to the reference from the U.S. and Canadian Governments on the Flathead River in 1985. Also, as a result of the emergency high level situation in the Great Lakes Basin we anticipate that we will receive a new reference from the Governments on that subject in 1986 or early 1987. Discussions are now underway between the governments on a new reference, but negotiations have not yet been completed.

Economics Program Capability Study

QUESTION:

You are also proposing an increase of $50,000 for an Economics Program Capability Study. What is the purpose of this study, and when do you expect it to be completed?

ANSWER:

Most of the Commission's reference studies have a limited economic component, but recent efforts have had major economic components. One example is the recent Commission studies of diversions and consumption of waters from the Great Lakes and the Limited Regulation of Lake Erie. In those studies the Commission had to examine economic analyses, projections, and proposals on the values of water losses, changed water levels, and the effects of particular diversion and consumptive schemes at different level of activity on various economic sectors. These analyses were challenged by many groups, including one in Congress. The Commission lacked objective standards to test the validity of economic analyses performed on its behalf or know the extent to which analyses should be performed. We expect this study to be completed in 1987.

Study on Leaking Toxic Waste Dumpsites

QUESTIONS:

Your are requesting an increase of $38,000 for a groundwater study on pollution from leaking toxic waste dumpsites. How significant a problem is this, and what do you hope to accomplish by this study?

Have the Governments of either Canada or the United States conducted studies in this area, and if so, why are further studies needed?

ANSWER:

The Groundwater Mapping project is not a "study" in the traditional sense of the word, but rather the production of special maps of the groundwater resources of the Great Lakes Region keyed to known information on pollutant sources and land use patterns. There are no up-to-date comprehensive maps available with current groundwater resource information. There are many formal studies in Canada and the United States on problems of chemical contaminants leaking from toxic waste dumpsites to groundwater strata. This project would not repeat any of that work, but rather extract from it the necessary geological and cartographic parameters for the maps.

Because there are no comprehensive groundwater resource maps, much of the information on pollutant migration from toxic waste dumpsites to groundwater strata is anecdotal. It therefore means very expensive and educated guesswork to prove that Pollutant X found in a groundwater sample originated from Source Y. The siting of future dumpsites depends on knowledge of the groundwater resources of a region, and these studies are also ad hoc. Finally, monitoring plans and strategies for toxic waste dumpsites in active use depends on having detailed geological data to relate design and operation of a site to probable locations where sites can leak and need to be studied. Since many active dumpsites were placed in service without knowledge of the groundwater resources, the current monitoring plans and strategies have also had to include local ad hoc mapping studies to pick monitoring locations.

The Commission believes that all of the anecdotal information needs to be integrated into comprehensive maps of the region to portray the pollutant source-groundwater receptor relationships properly. With these maps, improved monitoring practices which permit anticipatory approaches to groundwater management, are possible. Sensitive groundwater resources not yet contaminated can be pinpointed. Groundwater routes to the Great Lakes and recharge zones can be defined. Existing groundwater monitoring networks can be simplified and improved since the relationships between sampling sites of multiple networks are clearly shown. Finally, there will be a current comprehensive groundwater picture of the Great Lakes Region, which does not presently exist.

Wage Increases

QUESTION:

You are requesting additional resources for Federal wage increases, within grade increases, and other Federal (Canadian) wage increases. What are the differences among these three categories of wage increases?

ANSWER:

Within grade increases are step increases authorized by law and paid to federal employees. Each grade level has 10 steps. Employees who perform at the satisfactory level are advanced on a time schedule from step one to step ten: one year intervals from step 1 to 4; two year intervals from step 4 to 7; and three year intervals from step 7 to 10. The additional salary costs associated with this law have been designated as within grade salary increases. For example, if a staff member receives a step increase in the middle of the fiscal year the additional salary costs for this six-month period over and above the previous step would be a within grade increase.

The Federal Wage increases are actually annualization costs. This wage increase covers the additional costs in 1987 of within grade salary increases which occurred in the prior year. For example, a staff member received a within grade increase March 1986; the actual cost for the additional salary in that fiscal year was called "a within grade increase". However, in 1987 the new salary rate will be paid for a full year, not six months as in 1986. The additional 6 month cost in 1987 covers the annualization of the within grade received in 1986 and is designated a federal wage increase for budget purposes.

The Federal (Canadian) wage increase is the U.S. Government's share of increased salary costs for federal employees of the Canadian Government, who are part of the joint staff of the Commission's Great Lake Regional Office. The U.S. Government is responsible for 50% of the operating expenses of that office including Canadian Government salaries. Thus, when there is an increase in Canadian federal salaries, our contribution to the operation of the Regional Office also increase. This pay increase is equivalent to the annual pay adjustment provided U. S. federal employees. All pay revisions call for retroactive payments for at least six months.

FRIDAY, MARCH 14, 1986.

REPRESENTATION ALLOWANCES

WITNESS

ROGER B. FELDMAN, COMPTROLLER

Mr. DWYER [presiding]. The first item that we shall consider today for the Department of State is the fiscal year 1987 budget request for Representation Allowances.

The request is for $4,897,000. This amount represents an increase of $399,000 above the amount appropriated for fiscal year 1986, adjusted for sequestration under Public Law 99-177.

We shall insert the entire set of justifications submitted in support of this request into the record at this point.

[The justifications follow:]

Representation Allowances

Balanced Budget and Emergency Deficit Control Act of 1985

($000 in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$4,700	-$202	$4,498

-PROGRAM, PROJECT, ACTIVITY DETAIL-

Appropriation	1986 Appropriation	1986 Sequester	1986 Revised
Representation Allowances	$4,700	-$202	$4,498
Appropriation Total	$4,700	-$202	$4,498

The information presented above represents the Program, Project or Activities (PPA) and amounts for this appropriation identified in the Presidential order issued February 1, 1986. The amounts reflect the application of the 4.3% reduction to each affected PPA without regard to the current status of funds for specific PPA's. In some instances, funds may have been previously obligated and/or disbursed. In these situations, appropriate action will be taken to assure that adequate funds are available when the President's order becomes effective on March 1.

In the document that follows, the 1986 column reflects amounts appropriated by Congress. The effects of the 1985 Deficit Reduction Act were not received in time to be incorporated within individual budget units.

REPRESENTATION ALLOWANCES

For representation allowances as authorized by section 905 of the Foreign Service Act of 1980, as amended (22 U.S.C. 4085), and for representation by United States missions to the United Nations and the Organization of American States, [$4,700,000] *$4,897,000. (Department of State Appropriation Act, 1986.)*

Representation Allowances

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
--	$4,500	--	$4,700	--	$4,897	--	$197

I. Summary

Representation allowances permit Ambassadors, principal officers at Constituent posts, other Foreign Service Officers and Foreign Service National employees with vital contacts in the political and economic sectors to obtain partial reimbursement of costs incurred for all official representation overseas. These official contacts help establish and maintain close personal ties with local government officials, knowledgeable and influential private citizens, and foreign officials resident in the country with knowledge in the fields of finance, politics, business, journalism, labor and science. It is through such functions that the nation's foreign policy goals and objectives are effectively conveyed and at which information central to the formulation of our bi-lateral and multi-lateral policies are gathered. Representation is an integral part of an officer's responsibilities, which enables our analyses of other nations' foreign and domestic policies, and provides a forum for United States policies and programs.

II. Current Programs

Program funding will include activities in the mainline of traditional diplomatic practice: promotion of American interests through establishment and maintenance of solid working relationships and gathering of information from foreign officials and representatives. In addition, funding will serve to promote economic activities through strengthening relationships among those individuals (e.g. businessmen and labor leaders) who perform duties of an economic nature such as trade promotion, protection of American business interests, economic, commercial, and labor reporting and negotiations. Finally, funding will also allow for adherence to certain protocols or traditions which must be observed such as installation or inauguration of national leaders, deaths or marriages of prominent citizens or presentation of credentials to heads of state.

Representation Allowances

FY 1987
SUMMARY OF ACTIVITIES

	POSITIONS				FUNDS ($000s
	Americans				
	Dom.	Ovseas	FSNs	Total Pos.	Total Funds
1986 CURRENT ESTIMATE....................................	--	--	--	--	$4,700
Built-In Changes					
1987 Price Increases					
Overseas..	--	--	--	--	197
1987 CURRENT SERVICES..................................	--	--	--	--	4,897
1987 REQUEST (BUDGET AUTHORITY)..........................	--	--	--	--	4,897
Increase or decrease of 1987 over/from 1986.............	--				197

Comparison of Activities	POSITIONS 1985 Actual	1986 Estimate	1987 Request	FUNDS 1985 Actual	1986 Estimate	1987 Request
Diplomatic Relations with Foreign Countries						
Political Affairs						
Representation Allowances						
Promotion of U.S. National Interest.............	--	--	--	$3,466	$3,595	$3,746
Protection of U.S. Citizens' Interests...........	--	--	--	179	221	230
Promotion of Economic Activities....................	--	--	--	645	650	677
Commemorative and Ceremonial Requirements.......	--	--	--	210	234	244
Subtotal, Representation Allowance	--	--	--	4,500	4,700	4,897
Subtotal, Political Affairs........	--	--		4,500	4,700	4,897
Subtotal, Diplomatic Relations with Foreign Countries..................	--	--	--	4,500	4,700	4,897
TOTAL BUDGET AUTHORITY...............	--	--		4,500	4,700	4,897

FY 1987
Justification of Program Activities

Promotion of U.S. National Interest, $3,746,000

Promotion of U.S. national interests allows officers of the Foreign Service to enhance their effectiveness by entertaining officials, prominent citizens, foreign officials and long term residents who are knowledgeable in various fields. The majority of official representational expenditures are for small working luncheons and informal dinners which help to establish and maintain personal relationships or reciprocate courtesies previously extended. These relationships enable officers to gather information used to report trends, policies and opinions abroad, conduct negotiations and present or further the acceptance of American policies or viewpoints.

Protection of U.S. Citizens' Interests, $230,000

Officers of the Foreign Service entertain foreign officials in the country of their assignment to facilitate personal relationships which will enable them to provide such citizens' services as visa and immigration assistance, police and prison liaison, solve citizenship and related problems and arrange transportation for destitute Americans.

Protection of Economic Activities, $677,000

Officers of the Foreign Service entertain foreign and American officials, businessmen, labor leaders and other individuals involved in production and trade investment in the country or district to their assignment. These courtesies enable them to establish and maintain relationships which will help them perform duties of an economic nature such as trade promotion, protection of American business interests, economic, commercial and labor reporting and conduct negotiations related to the preceding activities.

Commemorative and Ceremonial Requirement, $244,000

Ambassadors, Charge d'affaires or their representative are frequently called upon to take part in ceremonial or commemorative occasions such as national days, installation or inauguration of national leaders, deaths or marriages of prominent citizens or presentation of credentials to heads of states. On these occasions certain protocols or traditions much be observed. This may mean presentation of a wreath or flowers or the articles dictated by local tradition. Resident representative of the United States Government are also responsible for presentation of newly arrived chief of mission, principal officers of other prominent officials such as the personnel of visiting U.S. naval vessels or special U.S. Government aircraft to local leaders.

Representation Allowances

Explanation of Requirements

PRICE INCREASE

Overseas Price Increases, $197,000 This increase provides for an overall average expected overseas price inflation rate of 4.2% in 1987 due to escalating prices for food and labor associated with food preparation and services.

Representation Allowances

FY 1987
REQUIREMENTS BY OBJECT CLASS
(dollars in thousands)

Object class	1985 Actual	1986 Estimate	Built-in Changes	Current Services	Program Changes	1987 Request	1987 Inc Ovr 1986
Other Services....	$4,500	$4,700	$197	$4,897	--	$4,897	$197
TOTAL BUDGET AUTH.	4,500	4,700	197	4,897	--	4,897	197

General Statement

Mr. **Dwyer**. We are pleased today to have with us Mr. Roger Feldman, the Comptroller of the Department of State.

You may proceed at your own pace, Mr. Feldman.

Mr. **Feldman**. Thank you, Mr. Chairman.

I have a prepared statement. With your permission, I would insert it in the record.

Mr. **Dwyer**. Yes, sir.

Mr. **Feldman**. And allow me to just summarize.

Our request essentially provides for funds to offset the rising cost overseas of food and beverages and food services.

As you are aware, representation allowances permit our Foreign Service officers to obtain reimbursements for costs incurred in official representational activities. Through such activities, we are able to promote a better understanding and, hopefully, support for U.S. foreign policies and the achievement of our foreign policy objectives.

The majority of official representation expenditures are for small working luncheons and formal dinners. Larger functions, of course, are occasionally necessary and desirable, such as those held to introduce visiting American officials to groups of prominent local businessmen.

Some representational expenses are particularly for protocol and ceremonial activities such as national days, deaths of prominent citizens or commemorative occasions.

I would be pleased to respond to any questions you or the other committee members may have, Mr. Chairman.

[The prepared statement of Mr. Feldman follows:]

DEPARTMENT OF STATE
1987 BUDGET ESTIMATES

STATEMENT OF

ROGER B. FELDMAN
COMPTROLLER
DEPARTMENT OF STATE

Before

THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS

For

COMMERCE, JUSTICE, STATE, THE JUDICIARY

AND RELATED AGENCIES

Representation Allowances

March 14, 1986

Mr. Chairman and Members of the Committee:

It is a pleasure to appear before you to request an appropriation of $4,897,000 for Representation allowances in 1987. This is an increase of $197,000 or 4.2 percent over the 1986 appropriation of $4,700,000. The increase is principally to offset the rising cost overseas of food, beverages and food services.

Representation allowances permit Foreign Service Officers to obtain reimbursement for costs incurred in official representation activities. These activities help U.S. officials to establish and maintain close personal contacts with foreign leaders, local government officials, and influential private citizens and residents of the host country. This is an integral part of an officer's responsibilities and is a method of securing factual data and informed opinions concerning political, economic, scientific and business developments and trends. These contacts are essential to our analysis of host nations' foreign and domestic policies. Moreover, through such activities, we are able to promote a better understanding and, hopefully, support for U.S. policies.

Program funding ultimately provides for establishing and maintaining constructive international relationships, thereby ensuring protection of United States citizens' interests.

The majority of official representation expenditures are for small working luncheons and informal dinners. Larger functions are occasionally necessary and desirable, such as those held to introduce visiting American officials to groups of prominent local businessmen. Some representational expenditures are also required for protocol and ceremonial activities such as national days, deaths of prominent citizens and for commemorative occasions.

Mr. Chairman, this concludes my statement. I would be pleased to respond to any questions the Committee might have.

IMPACT OF SEQUESTRATION

Mr. DWYER. Thank you, Mr. Feldman.

We understand that $202,000 was sequestered from your 1986 appropriation under Gramm-Rudman. What was the impact of this reduction on your activities?

Mr. FELDMAN. Mr. Chairman, we would anticipate that the sequestration of $202,000 would, in effect, cause our officers to be further out of pocket in terms of reimbursement for their representational activities. In that this committee has supported this appropriation over the years, this is an unfortunate element of the necessity of those kinds of reductions. It had to be applied to this appropriation.

I believe, therefore, that essentially two things will happen. One, our officers will be insufficiently reimbursed for their activities, and, two, that prospect may lead to a diminution of the representation activities.

Opportunities will afford themselves of which we will not be able to take advantage.

NET INCREASE FOR 1987

Mr. DWYER. You have requested an increase of $197,000 for your 1987 budget, which is 4.2 percent over the 1986 appropriation.

How did you determine that? It is so close to the Gramm-Rudman this year, I think that is what prompts my question.

Mr. FELDMAN. Actually, Mr. Chairman, it was determined before Gramm-Rudman, and the closeness is coincidental.

Mr. DWYER. Do you take some responsibility for Gramm-Rudman indirectly?

Mr. FELDMAN. Having spent a lifetime in the Federal budget process, I have to take some responsibility for Gramm-Rudman.

REPROGRAMMING

Mr. DWYER. You don't expect to be in for any reprogramming this year, do you?

Mr. FELDMAN. In this particular appropriation?

Mr. DWYER. Yes.

Mr. FELDMAN. No, Mr. Chairman.

Mr. DWYER. The reprogramming has to take care of itself at the other end?

Mr. FELDMAN. Yes, sir.

OUT-OF-POCKET EXPENSES

Mr. DWYER. The requested amount for 1987, will it pay for substantially all of the expenses that are incurred by foreign service officers, or will they still have to absorb some expenses on their own?

Mr. FELDMAN. Our experience over the years is that we have never had a year that the appropriation took care of all the expenses.

I anticipate that we would still have out-of-pocket expenses in the 1987 fiscal year. I cannot recall any year in which the appropriation covered all of our expenses.

I believe there is a significant amount of expenses that are not reported by our officers as well. Our request does not provide any increment for offsetting those out-of-pocket expenses. It was developed principally as a measure to offset inflation. There isn't a component that provides for offsetting the out-of-pocket expenses.

REIMBURSEMENT PROCESS

Mr. **Dwyer**. Are all foreign service officers eligible for reimbursement?

Mr. **Feldman**. Yes, Mr. Chairman.

Mr. **Dwyer**. Let me see if I can construct what really happens. The foreign service officer is exposed to picking up the check of X numbers of dollars, and he submits that bill to the Department. Is the judgment made at that point whether to pay the bill or not to pay the bill?

Mr. **Feldman**. Yes, Mr. Chairman. They would incur the expenses at the post, and then submit them to their post budget and fiscal office. The budget and fiscal office would review the voucher, the nature of the occasion, the guests and, perhaps, most importantly, the amount of money they have available, and then determine the reimbursement.

What happens at the post is that the Chief of Mission will, for planning purposes, allocate different portions of the fund that he receives for various occasions to various officers within the mission. Clearly, the Chief of Mission takes the lion's share of the representational funding, the ranking subordinates take the next largest share, then other officers, and some portion would go to significant branch posts or consular posts.

PERCENTAGE REIMBURSED

Mr. **Dwyer**. In the course of a year, do you have any idea what the total amount of expenses are that are submitted, and what percentage is authorized for payment?

Mr. **Feldman**. The percentage that was reimbursed in fiscal year 1985, which would be the last year for which I have statistics, would be 98 percent.

Again, I must reiterate that many occasions are paid for by the officers and no request for reimbursement is submitted, because they realize there is no money for it, and why go through the process of submitting a voucher only to have it rejected.

And I also believe that many opportunities are missed because of the unavailability of funds.

IMPACT OF GRAMM-RUDMAN-HOLLINGS CUTS

Mr. **Dwyer**. What has happened since the enactment of Gramm-Rudman overseas? Have the fiscal officers notified everyone that they expect 4.3 percent less this year?

Mr. **Feldman**. In terms of representation?

Mr. **Dwyer**. Yes.

Mr. **Feldman**. Yes, Mr. Chairman. In terms of our Salaries and Expenses accounts, there are very serious measures having to be taken to accommodate that, such as hiring limitations. In fact, in some places they are very severely restricted in terms of their employment, in terms of travel, clearly in terms of any sort of equipment, furniture and furnishing expenses.

Mr. **Dwyer**. With sequestration about to follow this fall, what do you anticipate the reaction will be in the embassies?

Mr. **Feldman**. If in the fall we were to engage in another level of sequestration, depending on what that might be, in order to satisfy the Gramm-Rudman deficit targets, in terms of the representation appropriation, clearly we would have to reduce the level of activity. I think that would be significantly damaging to U.S. interests abroad.

As to State Department operations, we do not have programs per se in the Department. The Department's activities are largely an overseas presence for the gathering of information, the formulation of policy, and the execution of that policy. As such, this would affect our representation overseas.

As you are aware, we have submitted a letter notifying the committee that we propose closing seven posts.

Next year, if we were facing even a moderate level of sequestration, we would be closing a very significant number of posts. We would have to bring a very significant number of people back from overseas offices, and make serious reductions in Washington as well.

Mr. **Dwyer**. Obviously, that doesn't serve the best interests of the country.

Mr. **Feldman**. I would subscribe to that.

As the Secretary said the other day, we have reviewed the Department of State's operations for this purpose quite thoroughly. We have Ambassador Bray, Ambassador Viets, Ambassador Price and Ambassador Swaobe—both career and non-career ambassadors of considerable experience in the government and in the private sector. The conclusion is that you cannot find in the Department's operations anything near the levels of funding reductions that are being tossed about, without serious, very serious, damage to the Department's operations, and we feel we are already approaching that kind of situation.

Mr. **Dwyer**. Thank you, Mr. Feldman.

We may have a question or two more in connection with representation allowances. We will submit them for answers in writing if we do.

Mr. **Feldman**. Thank you, Mr. Chairman.

[The questions and the answers submitted thereto follow:]

QUESTIONS FOR THE RECORD SUBMITTED BY MR. SMITH

Increase Requested for FY 1987 (Representation)

Question:

In your statement you indicate a requested increase of $197,000 or 4.2% over the enacted 1986 appropriation. What is the basis for this percentage increase -- anticipated inflation overseas or some other measure?

Answer

The increase of $197,000 is due to escalating overseas prices for food and labor associated with food preparation and services that are required for various representational functions. This increase represents an average 4.2% above the FY 1986 appropriation.

Question:

The actual increase requested for FY 1987 is $399,000 or 8% over the current amount available because of sequestration. If the Committee saw fit to provide a 4.2% over the current level available, would that be sufficient for your purposes?

Answer:

The FY 1986 operating availability for this appropriation is $4,498,000. Applying the 4.2% increase to this amount would provide insufficient funds for adequate representational activities for our Foreign Service Officers. We anticipate that our officers would be further out-of-pocket in terms of reimbursement for their representational activities and more importantly, we would see a diminution in activities. Many employees, with limited personal funds, could not afford to entertain without the certainty that they would be reimbursed for their expenses. We believe that there would be occasions and opportunities that we would not be able to take advantage of.

Adequacy of this request

Question:

The FY 1987 budget request for the Department of State includes an increase overall of 408 positions. Is there any increase in the Representation Allowances account for these additional personnel, and if not, why not?

Answer:

The FY 1987 request for Representation Allowances does not include funds for representational activities for the new positions. This request represents the effect of the 1985 Balanced Budget and Deficit Control Act on the 1987 requirement and as such provides for an increase to offset inflation only.

Question:

What are the criteria governing the reimbursement of representation expenses and who decides what representational expenses will be reimbursed and the amounts of the reimbursements?

Answer:

Reimbursement for representation is governed by the Department's Standardized Regulations, and includes activities that promote U.S. national interests, protect U.S. citizens' interests, protect economic activities and support commemorative and ceremonial requirements. Expenditures for items incurred in the foreign country may be approved for reimbursement or payment if they are of a protocol nature, are undertaken to promote personal relationships necessary to the performance of an officer's official duties, or promote the interests of the U.S. In general, the Chief of Mission at the post will (for planning purposes) allocate different portions of the fund that he receives for various occasions to various officers within the mission. As expenses are incurred at the post, a bill is submitted to the post budget and fiscal office for review. This review assures that the expense is in accordance with the standardized regulations governing the use of the funds; including the nature of the occasion, and the guests. Most importantly the amount available for reimbursement is taken into account in determining the actual reimbursement for any activity.

FRIDAY, MARCH 14, 1986.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

WITNESS

ROGER B. FELDMAN, COMPTROLLER

Mr. DWYER [presiding]. The next item is Emergencies in the Diplomatic and Consular Service.

For fiscal year 1987, the request is $4,400,000. This amount represents an increase of $189,000 above the appropriation enacted for fiscal year 1986 adjusted for sequestration under Public Law 99-177.

We shall insert the justification materials submitted in support of this request in the record at this point.

[The justifications follow:]

Emergencies in the Diplomatic and Consular Service

Balanced Budget and Emergency Deficit Control Act of 1985

($000 in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$4,400	-$189	$4,211

-PROGRAM, PROJECT, ACTIVITY DETAIL-

Appropriation	1986 Appropriation	1986 Sequester	1986 Revised
Emergencies in the Diplomatic and Consular Service	$4,400	-$189	$4,211
Subtotal	4,400	-189	4,211
[Direct Loans]	[700]	[-30]	[670]
Total	$4,400	-$189	$4,211

The information presented above represents the Program, Project or Activities (PPA) and amounts for this appropriation identified in the Presidential order issued February 1, 1986. The amounts reflect the application of the 4.3% reduction to each affected PPA without regard to the current status of funds for specific PPA's. In some instances, funds may have been previously obligated and/or disbursed. In these situations, appropriate action will be taken to assure that adequate funds are available when the President's order becomes effective on March 1.

In the document that follows, the 1986 column reflects amounts appropriated by Congress. The effects of the 1985 Deficit Reduction Act were not received in time to be incorporated within individual budget units.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforeseen emergencies arising in the Diplomatic and Consular Service to be expended pursuant to the requirement of 31 U.S.C. 3526(e), $4,400,000. *(Department of State Appropriations Act, 1986.)*

Emergencies in the Dipl./Cons. Services

FY 1987

Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
--	$6,000	--	$4,400	--	$4,400	--	--

I. Summary

This appropriation is utilized to meet emergency requirements in the conduct of foreign affairs. It is essential to the furtherance and protection of United States interests in foreign countries that there be a fund from which extraordinary expenditures can be made on a timely basis. Funds are also available under this appropriation for relief and repatriation loans to destitute Americans abroad.

Beginning in 1985, a new section of this appropriation provides funding to pay rewards for information concerning terrorists acts. This section was authorized by the 1984 Act to Combat International Terrorism.

II. Current Programs

In recent years a major use of this appropriation has been to evacuate personnel, dependents and other U.S. citizens from high risk areas without delay. For example, in 1985 funds were used to support evacuations from Bogota, San Salvador, Kampala, and Beirut. The appropriation also includes $700,000 for relief and repatriation loans abroad.

The 1984 Act to Combat International Terrorism authorized $5 million to pay rewards for information concerning terrorist acts. In 1985, $2 million was appropriated for the rewards program.

III. 1987 Plans

The emergency nature of this appropriation makes it very difficult to predict how the evacuation and anti-terrorist components of these funds will be used. However, this appropriation assures that funds will be made available in a timely manner for emergency requirements and for the payment of rewards for information which may identify or prevent acts of terrorism.

FY 1987
Justification of Program Activities

	Positions		Funds
	American	FSN	(in thousands)
1987 Request......................	--	--	$4,400

The purpose of this activity is to provide the Department with the means to respond on a timely basis to emergencies that arise in the conduct of foreign relations. The Department must have the ability to respond to emergency situations such as the evacuation of personnel, dependents and other U.S. citizens from high risk areas without delay. For example, in FY 1985 funds were used to support evacuations from Bogota, San Salvador, Kampala and Beirut.

Funds were also available under this appropriation for relief and repatriation loans to destitute Americans abroad. When U.S. citizens abroad become destitute and are unable to fund their return to the United States, they may enlist the assistance of the U.S. Embassy or Consular post located in the country in which they are stranded. The Embassy first attempts to obtain funds for the person in need from family members in the U.S. If this cannot be done, the Embassy may be authorized to purchase an airline ticket for direct return to the U.S. and to provide food and lodging for the period prior to the next available flight via U.S. carrier. The recipient is required to sign a promissory note for the amount of the loan. The Department of State actively seeks repayment of these loans. To encourage repayment, the recipient's passport is restricted at the time the loan is granted, to allow return to the U.S. only. This restriction remains in effect until the loan is repaid. Repayments are deposited as miscellaneous receipts of the Treasury.

Emergencies in the
Diplomatic and Consular Service

FY 1987
REQUIREMENTS BY OBJECT CLASS
(dollars in thousands)

Object class	1985 Actual	1986 Estimate	Built-in Changes	Current Services	Program Changes	1987 Request	1987 Inc Ovr 1986
Unvouchered.......	$6,000	$4,400	--	$4,400	--	$4,400	--
TOTAL BUDGET AUTH.	6,000	4,400	--	4,400	--	4,400	--

GENERAL STATEMENT

Mr. **DWYER**. Mr. Feldman, please again proceed at your own pace.

Mr. **FELDMAN**. Thank you, Mr. Chairman.

With your permission, I will insert my prepared statement, and briefly summarize.

This appropriation is provided to meet emergency requirements in the conduct of foreign affairs for which the granting of specific appropriations is not feasible, either due to the urgency of the requirements or the confidential nature of the purposes for which the funds are to be used.

THREE MAJOR PURPOSES

There are three major purposes for this appropriation. The first is subsistence and repatriation loans to destitute American citizens abroad. The second is for emergency evacuations of United States Government employees and other citizens. The third purpose is to pay rewards for information concerning terrorist activities.

I will be pleased to answer any questions that you might have regarding this appropriation request.

[The prepared statement of Mr. Feldman follows:]

DEPARTMENT of STATE
1987 BUDGET ESTIMATES

STATEMENT OF

ROGER B. FELDMAN
COMPTROLLER
DEPARTMENT OF STATE

Before

THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS

For

COMMERCE, JUSTICE, STATE, THE JUDICIARY

AND RELATED AGENCIES

Emergencies in the Diplomatic and Consular Service

March 14, 1986

Mr. Chairman and Members of the Committee:

It is a pleasure to appear before you to present the 1987 budget request for the Emergencies in the Diplomatic and Consular Service appropriation. The 1987 request for this appropriation is $4,400,000, the same level as the 1986 appropriation.

This appropriation is used to meet emergency requirements in the conduct of foreign affairs for which the granting of specific appropriations is not feasible due to: (1) the urgency of requirements in some instances, and (2) the confidential character of the purposes for which funds are needed in others.

There are three major purposes under this activity. The first is for subsistence and repatriation loans to destitute American citizens abroad. The second purpose is for emergency evacuations of United States government employees and other American citizens, with their dependents, from areas of the world where their safety and well-being are determined to be in jeopardy from local crises such as armed conflicts. For example, in 1985 funds were used to support evacuations of Americans from Bogota, Kampala, and Beirut.

The third purpose of this appropriation is to pay rewards for information concerning terrorist acts. Because of the availability of carryover balances, currently totaling $2 million, the 1987 request before you does not include new budget authority for the rewards program.

Expenditures from this appropriation are certified by the Secretary of State under the authority granted in Section.107 of Title 31 of the United States Code. All expenditures are vouchered and recorded in the same manner as expenditures from other government appropriations.

Mr. Chairman, I will be pleased to respond to questions the committee may have regarding this request.

IMPACT OF SEQUESTRATION

Mr. **Dwyer**. Again the sequestrated amount was $189,000. How does that affect you?

Mr. **Feldman**. Since this appropriation, Mr. Chairman, is in effect an emergency appropriation that stands in readiness, it is hard to determine the effect or if there will be any effect.

In many years, there are balances that remain available in this account that return to the Treasury. The impact of sequestration would depend on emergency events as they may arise in the remainder of the year.

As things are going at this point, I would anticipate that it will have hardly any effect on the needs. Clearly, the nature of this appropriation is such if there is an emergency, we have to respond to it.

EMERGENCY EVACUATION AND THE ANTI-DEFICIENCY ACT

Mr. **Dwyer**. That was going to be my next question. Suppose we had an emergency evacuation some place in the world similar to what we had in 1985 in Bogota, Beirut, Kampala and so on; what would you do? How would you respond to that emergency?

I can remember some time in history, I think I remember in the post-war years, when we evacuated a lot of Americans out of Greece, did we not?

Mr. **Feldman**. Yes, sir, you are correct. Our most recent experience where we ran out of funds in this account was, of course, 1979 when the embassy in Tehran was overwhelmed. Then there was a whole spate of activity throughout the Middle East and we had tremendous drawdowns upon this account.

The revised statute, the so-called Anti-Deficiency Act, in 31 U.S.C. 1341 does not allow for activities to be engaged in or obligations to be established in advance of appropriations. Thus, in that period, we had to violate the Anti-Deficiency Act.

This committee has been most considerate in the past when that has occurred, to recognize the emergency nature, and to relieve the responsible officers for that event.

If, as you hypothesize, we were to engage in an emergency situation that exhausted this account for protection of life, limb and property, I believe that the Secretary would be obliged to continue to respond to the needs of American citizens abroad, even exceeding this account, and face the consequences of violating—

Mr. **Dwyer**. There would be a program supplemental?

Mr. **Feldman**. Yes, Mr. Chairman.

Mr. **Dwyer**. There can't be any more consequences than that?

Mr. **Feldman**. I must say as the officer charged with the stewardship of our finances, it is an awesome occasion when you prepare a letter telling the Secretary of State that he has just violated the Anti-Deficiency Act.

SECURITY INITIATIVE AND AMERICAN PRESENCE

Mr. **Dwyer**. Talking about evacuation, I can't help but think that in the Department's budget for the security initiative, we have a new embassy in both Kampala and in Bogota. I wonder if we should be building them.

Maybe I shouldn't address the question to you. It might belong to somebody else, but things have a way of becoming very illogical around this building from time to time.

Mr. FELDMAN. I do believe, Mr. Chairman, that it is necessary to recognize, in the case of Kampala, that there is a significant presence of other nations' embassies there, and I believe that in responding to your question, the administration would have to consider its presence and participation in the active pursuits of our interests in Kampala, especially as regards the recognition of the presence of some of our adversaries.

TOTAL AMOUNT OWED FOR REPATRIATION

Mr. DWYER. Maybe we should just rent some space at the airport.

Just one more question. What is the total amount—I think we have asked this question in the past—that is owed to the State Department for repatriation, and has not been collected? Do you have any idea?

Mr. FELDMAN. I am afraid, Mr. Chairman, I would have to provide that total amount for the record. I don't have the cumulative total.

Mr. DWYER. Why don't you give us some sort of a ball-park figure and then change the figure for the record?

Mr. FELDMAN. I would estimate it at probably $2 million.

[The following information was subsequently submitted to the Committee:]

OUTSTANDING REPATRIATION LOANS

As of December 31, 1985, the cumulative total owed to the Department of State was $1,532,000.

COLLECTION RECORD

Mr. DWYER. That is all? I thought it would be a good deal more than that, over the years.

I am just trying to set the stage for my next question. I have a recollection that it is a sum that might be larger than that, and a lot of it has been on the books for a long period of time.

My question is, what is the collection record in that regard, and does it make any sense to privatize the collection of that money?

Mr. FELDMAN. Yes, Mr. Chairman. The amounts that were paid out in loans in 1984 were just short of half a million dollars. In 1985, likewise, it was just a little more than half a million dollars.

We have collected some interest on those loans. In 1983, it was $19,000, and in 1984, $17,000.

Our record of collection is in the neighborhood of about 50 percent.

EMPLOYEES INVOLVED IN COLLECTING

Mr. DWYER. How many people do you have involved in pursuing these unpaid bills?

Mr. FELDMAN. Not very many, Mr. Chairman. We have three people. They do other things as well.

We have tried in the past to use private collection firms, and they have not succeeded very well in this. We are trying again under the new General Services Administration umbrella contract to use private firms in the collection here.

We do find that we start out dealing with destitute Americans. There is in fact a needs test, and as such, the collection process is that much more difficult, because these are people who by definition don't have assets available to them. And so I think where they do, our collection activities are successful; where they don't, they are in fact by definition destitute.

We do notate their passports, when we give a loan, so that they can return only to the United States, and in effect impound their passports, so that they cannot leave the United States until they at least enter into a repayment agreement, repayment schedule and plan, if not fully pay off the loan before they can receive their passport back to leave again. So those people who have asset capability may be interested in traveling abroad again, cannot do so until they——

Mr. DWYER. They want to go back and get destitute again.

Mr. FELDMAN. Yes. We do have occasions where people in fact become destitute, we notate their passports, but they are, let me say, not fully aware of the implications of traveling without a passport. They continue to travel and show up in countries with passports that are invalid and wind up in very serious situations.

REWARDS FOR INFORMATION CONCERNING TERRORISM

Mr. DWYER. One more question, Mr. Feldman, in this area. The $1 million that we appropriated in the FY 1985 supplemental for information concerning terrorist acts, how much of that money has been spent, and how much is still available?

Mr. FELDMAN. Mr. Chairman, I am advised that none of the money has been spent as yet.

Mr. DWYER. What were the terms of that appropriation? It remains there until expended?

Mr. OSTHAUS. Yes, sir.

Mr. DWYER. But nothing has been used to date.

Thank you. We may have another question or two for the record in this area, Mr. Feldman.

[The questions and the answers submitted for the record follow:]

QUESTIONS FOR THE RECORD SUBMITTED BY MR. SMITH

Rewards for Information Concerning Terrorist Acts

Question:

In the FY 1985 supplemental Congress appropriated $1 million to this account for payment of rewards for information concerning terrorist acts. What criteria has the Department established for payment of such rewards?

Answer:

The criteria applied are set out in the attached regulation.

940
PAYMENT OF REWARDS FOR INFORMATION IN CASES OF INTERNATIONAL TERRORISM

941 AUTHORITY

(TL:GEN-227 7/12/85)

Section 102 of the 1984 Act to Combat International Terrorism (P.L. 98-533) added a new section 36 to the State Department Basic Authorities Act of 1956 (the "Act") (22 U.S.C. 2708) providing the Secretary of State with authority to pay a reward of not more than $500,000 to any individual who furnishes information leading to:

(a)" . . . the arrest or conviction, in any country, of any individual for the commission of an act of international terrorism, or"

(b)" . . . the arrest or conviction, in any country, of any individual for conspiring or attempting to commit an act of international terrorism, or"

(c)" . . . the prevention, frustration, or favorable resolution of an act of international terrorism, if the act of international terrorism is against a United States person or United States property and is primarily outside the territorial jurisdiction of the United States."

A reward of $100,000 or more "may not be made without the approval of the President or the Secretary of State personally."

This program authorizes the payment of rewards only in consideration of the furnishing by an eligible individual of information that produces the results specified in the authorizing legislation, as described above.

Subchapter 940 applies solely to the payment of rewards under the authority described above.

942 DEFINITION OF "ACT OF TERRORISM"

Although the authorizing legislation for this subchapter contains no definition of the term "act of terrorism", the companion authority provided to the Attorney General to pay rewards for information in cases of domestic terrorism by section 101(a) of P.L. 98-533 contains the following definition of this term, which the legislative history indicates is intended to apply in the international context to the Secretary of State's authority as well:

" . . . the term 'act of terrorism' means an activity that—

(A) involves a violent act or an act dangerous to human life that is a violation of the criminal laws of the United States or of any State, or that would be a violation if committed within the jurisdiction of the United States or of any State; and

(B) appears to be intended—

(i) to intimidate or coerce a civilian population;

(ii) to influence the policy of a government by intimidation or coercion; or

(iii) to affect the conduct of a government by assassination or kidnaping."

943 CONSULTATION WITH THE ATTORNEY GENERAL

Subsection 36(c) of the Act provides that the Secretary of State shall "advise and consult with the Attorney General" before making a reward "in a matter over which there is Federal criminal jurisdiction." In practice, this will mean that consultation with the Department of Justice will usually be required before making a reward in any matter involving threatened, attempted, or actual attack on U.S. Government personnel or facilities overseas, or involving certain other categories of violent acts over which the United States, pursuant to international convention or otherwise, exercises global criminal jurisdiction, such as hostage-taking or hijacking or sabotage of civil aircraft. The Office of the Legal Adviser (L/LEI) will advise on a case-by-case basis as to the applicability of this requirement.

944 CERTIFICATION FOR PAYMENT

Pursuant to subsection 36(d) of the Act, any reward granted under this authority must be certified for payment by the Secretary of State.

945 PROTECTION OF IDENTITY OF A RECIPIENT

Subsection 36(d) of the Act gives the Secretary of State authority, if the Secretary determines that "the identity of the recipient of a reward or of the members of the recipient's immediate family must be protected," to "take such measures in connection with the payment of the reward as he deems necessary to effect such protection."

Specific measures employed to protect the identity of a recipient or potential recipient (and immediate family members as appropriate) beyond the security procedures generally applicable to the rewards program, as set forth in section 948.3 below, will depend on the circumstances of each case.

946 INELIGIBILITY OF GOVERNMENT OFFICERS OR EMPLOYEES

Subsection 36(e) of the Act provides that "an officer or employee of a governmental entity who, while in the performance of his or her official duties," furnishes information as described in section 941 above, "shall not be eligible for a reward under this section." This applies both to U.S. and foreign government officers and employees at all levels of government.

947 COORDINATION WITH HOST GOVERNMENT AUTHORITIES

The rewards program is to be carried out in such a manner as to supplement and complement the *bona fide* security and law enforcement efforts of host government authorities, who bear the primary responsibility in these areas. To this end all stages of the rewards process (see section 948.1) will be closely coordinated whenever appropriate with responsible host government authorities. Such coordination should be accomplished primarily between the Regional Security Officer (RSO) and local security and law enforcement authorities (see section 948.2-1).

948 PROCEDURES

948.1 The Rewards Process

The process of offering and paying a reward will normally consist of the following stages.

948.1-1 The Initial Decision to Offer a Reward

Proposals that a reward be offered under this program may originate at post or at the Department. If a proposal originates at post it should be coordinated by the RSO (see section 948.2-1) and approved by the Chief of Mission in the country involved before being forwarded to the Department for approval. Any such proposal shall be accompanied by specific details concerning its feasibility in light of the factors set forth in this section.

In no case may a post offer a reward under this program without express approval from the Department. If a proposal originates at the Department the views of the relevant post(s) will normally be sought before making a decision to offer a reward.

(a) In cases covered by sections 941 (a) and (b) (information leading to arrest or conviction for commission of, or for attempt or conspiracy to commit, an act of international terrorism) the decision will depend particularly on the following considerations:

(1) The seriousness of the injury or potential injury to U.S. persons or property;

(2) The likelihood that the offer of a reward by the United States will materially aid in bringing perpetrators to justice; and

(3) The attitude of host government authorities toward such an offer.

(b) In cases covered by section 941(c) concerning information leading to the prevention or frustration of an act of international terrorism, the decision will depend particularly on the following considerations:

(1) The credibility and specificity of available information indicating that there is a threat of such an act;

(2) The seriousness of the danger to U.S. persons or property indicated by the available information;

(3) The likelihood that an offer of a reward would elicit additional information that could materially aid in successfully avoiding or countering the threat; and

(4) The attitude of host government authorities toward such an offer.

(c) In cases covered by section 941(c) concerning the favorable resolution of an act of international terrorism, the decision will depend particularly on the following considerations:

(1) The seriousness of the danger posed by the act to U.S. persons or property;

(2) The likelihood that the offer of a reward will elicit information that will materially assist in favorably resolving the ongoing act (e.g., a hostage-taking or aircraft hijacking), and

(3) The attitude of host government authorities toward such an offer.

948.1-2 Offering the Reward

If, after evaluation of the situation in accordance with section 948.1-1 above, a decision is made to offer a reward, the relevant post(s) should make recommendations to the Department on the specific terms of the offer and the medium or media through which the offer will be made. The Department will provide final instructions on these points.

The offer will normally be made through the appropriate mass communications medium or media (e.g., newspaper, radio, television) although certain circumstances may dictate other means of transmitting the offer, such as through informal contacts.

Where the offer is made through the mass media, its terms will normally include:

(a) Identification of the entity offering the reward (ordinarily the United States Government, although in certain circumstances it may be necessary or desirable to avoid direct mention of the USG role);

(b) A statement of the maximum amount being offered.

(c) A concise description of the incident or situation in connection with which the reward is being offered.

948.3 Security Procedures

All telegraphic communications relating to the implementation of this program, including: proposals that rewards be offered; reports of information received in response to rewards, measures taken in response to information received, contacts with host government authorities, and other relevent information; and instructions from the Department to posts, will be transmitted in the appropriate channel with a classification level and distribution controls sufficient to ensure the security of these operations and persons involved in them. All other documents relating to such implementation (e.g., internal memoranda) will be afforded a similar level of protection. In particular, information relating to the identity of an informant, such as names or other personal data and times, places and circumstances of contacts with U.S. officials, shall be handled in accordance with appropriate operational security procedures.

948.4 Accounting For Funds

Fiscal responsibility and accountability for moneys appropriated for use in carrying out the program will reside in the Department of State, which will also be responsible for instituting appropriate financial controls, including such controls as may be necessary to maintain the confidentiality of payments within the framework of internal control and audit requirements.

948.5 Additional Procedures

Additional detailed procedures for the administration of the rewards program, including security matters, will be drafted expeditiously by M/CTP and A/SY in consultation with the offices and agencies listed in section 948.2-2 above.

949 (Unassigned)

(d) A clear characterization of the type of information sought, e.g., "information leading to arrest and conviction of the person or persons responsible for" the incident;

(e) Particulars as to where information meeting the terms of the offer should be directed;

(f) A statement of the ineligibility of any officer or employee of any governmental entity furnishing information in performance of his or her official duties; and

(g) A statement that all details, including in particular the identity of any informant, will be kept strictly confidential.

948.1-3 Evaluating Information Received In Response To the Offer

The post through which the offer is being made shall designate one officer, normally the responsible RSO (see section 948.2-1 below), to collect all information received in response to the offer. Any such information received by any other officer or employee of the post shall be immediately conveyed to the officer designated under the preceding sentence, subject only to considerations of protection of intelligence sources and methods or the proprietary nature of the information. That officer, reporting in the officer's capacity as Executive Secretary of the Emergency Action Committee (EAC) to the Deputy Chief of Mission (DCM), will be responsible for performing initial evaluation of the credibility and relevance of the information and for ensuring that it is properly coordinated within the post and transmitted to the Department, to other posts which may have an interest in it, and to host country authorities as appropriate, in a timely fashion for further review and action.

948.1-4 Acting Upon Information Received In Response To the Offer

Normally the Department will issue instructions as to specific measures to be taken in response to information received in response to an offer, such as further contacts with host country authorities, follow-up questioning of an informant, or modification of the original terms of an offer. If, however, information received at post is of sufficient credibility and urgency to warrant responsive action in the absence of instructions from the Department, the responsible officer(s) at post should take necessary steps and immediately inform the Department.

948.1-5 Payment Of the Reward

At the appropriate time, e.g., after arrest of a perpetrator or once a terrorist incident is favorably resolved, the post should make a detailed report to the Department on the outcome of any incident in connection with which a reward offer was made. The report shall include an assessment of the impact on such outcome of information received in response to the offer, and a statement of the position of the host government authorities regarding the payment of a reward in the case, with particular attention to the effect of such a payment on any law enforcement efforts being undertaken by such authorities. Once this information has been evaluated by the Department, and the Secretary has made a decision on whether a reward will be paid (see section 948.2-2), the post will be notified and arrangements will be made to pay the reward.

948.1-6 Follow-Up Measures For Protection of Informants

The post's report to the Department described in the preceding section shall include, if necessary, a discussion of whether any specific measures for protection of the identity of an informant, in addition to the normal security measures described in section 948.3 below, are indicated. Individuals furnishing information that would justify a reward under this program, and the immediate families of such individuals, may be eligible and will be considered as appropriate, subject to the approval of the Attorney General, for participation in the Attorney General's witness security program authorized under title V of the Organized Crime Control Act of 1970.

948.2 Responsibilities

948.2-1 At Post

The RSO, in that officer's capacity as Executive Secretary to the EAC, shall be primarily responsible for the rewards program at each post within that officer's jurisdiction. Such responsibility shall include implementation of each of the stages of the rewards process as set forth in section 948.1 above, including coordination where appropriate at each such stage with host government authorities. In carrying out this responsibility the RSO shall remain subject to the overall direction and supervision of the DCM and Principal Officer(s) concerned, and shall coordinate with other officers at post as appropriate.

948.2-2 At the Department

All proposals to offer a reward under this program, whatever their source, will be coordinated by the Office for Counter-terrorism and Emergency Planning (M/CTP) and the Office of Security (A/SY) under the auspices of the Interdepartmental Group on Terrorism (IG/T). In carrying out this responsibility M/CTP and A/SY shall consult with representatives of the Office of the Legal Adviser (L/LEI), the relevant regional bureau(s) of the Department of State, the Department of Justice (Criminal Division), the Federal Bureau of Investigation, and the Central Intelligence Agency. Following such consultation M/CTP and A/SY will make a recommendation to the Secretary of State regarding the overall feasibility of the proposal, taking into account the factors enumerated in section 948.1 above, and including specific recommendations as to the terms and amount of the offer. If, after consideration of this recommendation, the Secretary decides that a reward should be offered, the Secretary may authorize such offer and instruct the post to take the necessary steps.

M/CTP and A/SY shall monitor the rewards process at all stages and make final recommendations as to payment of rewards, approval of which shall be handled as described in the preceding paragraph.

Rewards for Information Concerning Terrorist Acts

Question:

Has any of the $2 million been used to date, and if not, do you think this amount will be sufficient for the remainder of FY 1986 and FY 1987?

Answer:

None of the $2 million appropriated has been spent to date. We believe that this amount will be sufficient for the remainder of FY 1986 and FY 1987.

QUESTIONS FOR THE RECORD SUBMITTED BY MR. SMITH

Breakdown of FY 1985 Funds

Question:

Please provide for the record a statement of how the appropriation for fiscal year 1985 was spent.

Answer:

The Emergencies in the Diplomatic and Consular Service Appropriation is a Confidential Appropriation and the expenditures are classified. This information can be provided in Executive Session or discussed informally with members of your staff, as you desire.

Breakdown of FY 1985 Funds

Question:

How much of the FY 1985 appropriation was spent for relief and repatriation loans?

Answer:

During FY 1985 $500,454 was spent for relief and repatriation loans.

Breakdown of FY 1985 Funds

Question:

What is the total amount of uncollected funds under the repatriation loan program as of the latest available date?

Answer:

As of December 31, 1985 the cumulative amount of uncollected funds under the repatriation loan program was $1,532,000.

Breakdown of FY 1985 Funds

Question:

How does that amount compare with the previous year?

Answer:

As of December 31, 1984 accounts receivable amounted to $2,851,000. From this amount $1,563,000 was identified as uncollectable leaving a balance in accounts receivable in the amount of $1,288,000.

Breakdown of FY 1985 Funds

Question:

What is the Department's recovery rate for such loans?

Answer:

$445,922 was paid out in repatriation loans in FY 1984, while $282,000 or 63% of the total amount of repatriation funds loaned were collected. $500,454 was paid out in FY 1985 and $256,000 or 51% were collected. Interest on outstanding loans for FY 1984 and 1985 totaled $19,000 and $17,000, respectively.

These amounts represent collections on all outstanding repatriation loans for those two years, not just the loans made during those years.

Breakdown of FY 1985 Funds

Question:

What action does the Department take to recover the repatriation loans which are not repaid?

Answer:

The Department of State was one of the first federal agencies to take advantage of the new General Services Administration contract for placing delinquent debt with private collection agencies. Initially, 150 unpaid repatriation loan debtor accounts aggregating over $111,000.00 have been placed for collection with Corliss Credit Services of East Hartford, Connecticut.

The Department intends to place even more accounts with Corliss Credit Services in the future.

QUESTIONS FOR THE RECORD SUBMITTED BY MR. SMITH

Emergency Evacuations

Question:

In your statement you indicated that one of the purposes of this program is for emergency evacuations of United States Government employees, other American citizens, and their dependents from overseas areas where their safety is in jeopardy. How much was spent for this purpose in 1985 in evacuating Americans from Bogota, Kampala, and Beirut?

Answer:

To date approximately $445,000 has been spent in evacuations of Americans from Bogota, Kampala and Beirut.

Emergency Evacuations

Question:

Were the persons evacuated in these instances principally U.S. Government employees and their dependents, and what were the circumstances surrounding these evacuations?

Answer:

Yes, the persons evacuated were U.S. Government employees and their dependents. The circumstances surrounding these evacuations were:

-- in Bogota U.S. Government personnel and their dependents had been targeted by Columbians as a means to halt their extradition to the U.S. on narcotics trafficking charges;

-- in Kampala civil unrest and widespread insurgency; and

-- in Beirut civil unrest and the bombing of our Embassy.

FRIDAY, MARCH 14, 1986.

AMERICAN INSTITUTE IN TAIWAN

WITNESSES

ROGER B. FELDMAN, COMPTROLLER

DAVID DEAN, CHAIRMAN OF THE BOARD AND MANAGING DIRECTOR OF THE AMERICAN INSTITUTE IN TAIWAN

Mr. DWYER [presiding]. The next item is the American Institute in Taiwan.

The fiscal year 1987 budget request is $11,100,000. This amount is an increase of $1,721,000 above the appropriation for fiscal year 1986 adjusted for sequestration under Public Law 99-177.

We shall insert at this point in the record the justification material submitted in support of this request.

[The justification material follows:]

American Institute in Taiwan

Balanced Budget and Emergency Deficit Control Act of 1985

($000 in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$9,800	-$421	$9,379

-PROGRAM, PROJECT, ACTIVITY DETAIL-

Appropriation	1986 Appropriation	1986 Sequester	1986 Revised
Payment to the American Institute in Taiwan	$9,800	-$421	-$9,379
Appropriation Total	$9,800	-$421	-$9,379

The information presented above represents the Program, Project or Activities (PPA) and amounts for this appropriation identified in the Presidential order issued February 1, 1986. The amounts reflect the application of the 4.3% reduction to each affected PPA without regard to the current status of funds for specific PPA's. In some instances, funds may have been previously obligated and/or disbursed. In these situations, appropriate action will be taken to assure that adequate funds are available when the President's order becomes effective on March 1.

In the document that follows, the 1986 column reflects amounts appropriated by Congress. The effects of the 1985 Deficit Reduction Act were not received in time to be incorporated within individual budget units.

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

For necessary expenses to carry out the Taiwan Relations Act, Public Law 96-8 (93 Stat. 14), [$9,800,000] *$11,100,000. (Department of State Appropriations Act, 1986.)*

American Institute in Taiwan

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
--	$ 9,800	--	$ 9,800	--	$11,100	--	$ 1,300

I. Summary

The Taiwan Relations Act (PL 96-8) authorized the "continuation of commercial, cultural and other relations between the people of the United States and the people on Taiwan." It also provided that "any programs, transactions and other relations conducted or carried out by the President or any agency of the United States Government with respect to Taiwan shall, in the manner and to the extent directed by the President, be conducted and carried out by or through the American Institute in Taiwan", which was incorporated in 1979. The Department of State has a contract with the Institute, and the Congress, in passing the Taiwan Relations Act, also assumed an oversight role with respect to the Institute's operations.

II. Current Programs

The Institute's office in Washington acts as liaison with its counterpart organization from Taiwan (the Coordination Council for North American Affairs - CCNAA), the Department of State and other Federal agencies. The Institute negotiates with CCNAA on a variety of subjects, and reports agreements to Congress through the Department of State.

The Institute has an office in Taipei which is involved in a wide range of activities, including commercial services, economic and political reporting, consular-related matters, agricultural sales, foreign military sales, and information and cultural affairs. The Institute operates a language school and a Trade Center in Taipei, and libraries in Taipei and Kaohsiung. The small branch office in Kaohsiung does political and economic reporting, commercial promotion and information and cultural work.

American Institute in Taiwan

To date, 1986 has been a good year for the Institute's trade promotion program. Through December 1985, U.S. companies reported closing $20 million in sales during trade shows. We estimate that total sales during trade shows in 1986 will surpass $50 million, based on seven major exhibitions. The Institute actively reports on economic and commercial matters and assists U.S. businessmen. The Agricultural Section actively promotes U.S. agricultural products. In 1985, Taiwan imported approximately $1.4 billion worth of agricultural products from the U.S. The U.S. is Taiwan's largest trading partner. Total two-way trade in 1985 was $22.8 billion. U.S. imports from Taiwan exceeded exports by $13.5 billion in 1985. AIT, through its efforts in export promotion, is trying to increase U.S. exports to Taiwan. Taiwan will send several "buying missions" to the U.S. in an effort to increase U.S. exports to Taiwan.

The Institute's information and cultural activities contribute to better relations between the people on Taiwan and the people of the United States. The Cultural and Information Service maintains two libraries (Taipei and Kaohsiung), coordinates visitors' programs, contributes to the Foundation for Scholarly Exchange, arranges for U.S. cultural events in Taiwan and provides timely information about the United States through press releases and publications.

The Institute processes immigrant visa applications which have steadily increased in numbers from 9,252 in 1981 to a projected 19,500 in 1986. The Institute processed 104,078 non-immigrant visas in FY-1984. This volume is expected to increase to 120,000 in FY-1986.

American Institute in Taiwan

FY 1987
Justification of Program Activities

Total Budget Authority: $11,100,000

Economic/Commercial Services

	Positions*		Funds
	American	FSN	(in thousands)
1987 Request	(10)	(22)	$1,266

Taiwan is our 6th largest trading partner. Two-way trade in 1985 was $22.8 billion; Taiwan had a surplus of $13.5 billion. United States private investment in Taiwan exceedes $1.5 billion. The American Chamber of Commerce has almost 600 members. The Economic/Commercial Section and the American Trade Center help to further our bilateral relations by: reporting on economic and commercial developments in Taiwan as they affect the United States interests, counseling U.S. businessmen who wish to sell or invest in Taiwan, and maintaining close relations with the resident U.S. business community.

Travel Services Section

	Positions*		Funds
	American	FSN	(in thousands)
1987 Request	(11)	(40)	$1,200

AIT processes immigrant visa applications which have steadily increased in numbers from 9,252 in 1981 to a projected 19,500 in 1986. The volume of non-immigrant visa applications is expected to increase to 120,000 in 1986, more than 10% over the 1985 level. Services to American citizens is expected to continue to rise due to the growing American business community.

Cultural and Information Services

	Positions*		Funds
	American	FSN	(in thousands)
1987 Request	(4)	(37)	$1,737

American Institute in Taiwan

The Cultural and Information Service maintains two libraries (Taipei and Kaohsiung), coordinates visitors' programs, contributes to the Foundation for Scholarly Exchange, arranges for U.S. cultural events and provides timely information about the United States through press releases and publications. This activity helps to fulfill the mandate in the Taiwan Relations Act to promote cultural relations between the people of the United States and the people on Taiwan.

Other Services

	Positions*		Funds
	American	FSN	(in thousands)
1987 Request	(27)	(106)	$5,999

Other Services represent approximately one-half of AIT's total budget. They are carried out by the Institute's offices in Taipei and Kaohsiung and include political reporting, and facilitating agricultural and foreign military sales. The AIT Language School in Taipei is operated on a cost-reimbursable basis, for the Foreign Service Institute. Other Services also include administrative support costs in Taipei, e.g. rentals, maintenance and repair, furniture and equipment, travel, transportation, motor pool and other auxiliary operating expenses.

Washington Office

	Positions*		Funds
	American	FSN	(in thousands)
1987 Request	(8)	--	$898

The Institute's small staff in Washington acts as liaison with its counterpart organization from Taiwan (the Coordination Council for North American Affairs - CCNAA), the Department of State, and other federal agencies such as Defense, Commerce, Transportation, United States Information Agency, Energy, National Science Foundation, Foreign Agricultural Service and the Export-Import Bank. The Institute negotiates with CCNAA on a variety of subjects, and agreements between the Institute and CCNAA are reported to Congress through the Department of State. The Washington Office also provides administrative support to the Taipei and Kaohsiung offices and coordinates other activities between AIT's Taiwan offices and government agencies and the business community in the United States.

*AIT permanent positions are shown for information purposes only; they are not included in the Department's ceiling.

American Institute in Taiwan

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate....................	--	--	--	--	$9,800
Built-In Changes					
1987 Wage Increases					
Within-Grade Increases.........	--	--	--	--	105
AIT Wage Increases.............	--	--	--	--	66
SUBTOTAL, 1987 Wage Increases....	--	--	--	--	171
1987 Price Increases					
Overseas.......................	--	--	--	--	190
Domestic.......................	--	--	--	--	60
SUBTOTAL, 1987 Price Increases...	--	--	--	--	250
SUBTOTAL, Built-In Changes.........	--	--	--	--	421
1987 Current Services..............	--	--	--	--	10,221
Program Changes					
Security Requirements					
Security Enhancements..........	--	--	--	--	200
Information Systems					
Info. Systems Mgr., AIT........	--	--	--	--	54
Other Information Systems Requirements................	--	--	--	--	100
SUBTOTAL, Information Systems....	--	--	--	--	154
Motor Vehicle Acquisition Program					
Cars/Vans, AIT.................	--	--	--	--	50
Other Program Activities:					
AIT Retirement & Insurance Plan................	--	--	--	--	350
AIT Move to New Kaohsiung Office Space.................	--	--	--	--	125
SUBTOTAL, Other Program Activitie	--	--	--	--	475
SUBTOTAL, Program Changes..........	--	--	--	--	879
1987 Request (Budget Authority)....	--	--	--	--	11,100

American Institute in Taiwan

Explanation of Built-In Requirements

INCREASES

WAGE INCREASE

Promotion and Within-Grade Increases, $105,000. This increase will provide periodic within-grade salary increases and promotions to AIT employees. This estimated amount represents $60,000 for American and $45,000 for Foreign National employees and is based on a comprehensive review of AIT's wage plan. Adjustments have been made for offsetting reductions for employee turnovers.

1987 Wage Increases, $66,000. In determining the Foreign National rates ($66,000), AIT conducts local wage surveys to determine prevailing local wage and salary paying practices. The 1987 increase is expected to be 3.5%.

PRICE INCREASE

Overseas Price Increases, $190,000. This represents a projected average increase of 4.5% in cost of goods and services for 1987.

Domestic Price Increases, $60,000. Domestic price increases are projected at 3.5% to cover costs of rents/utilities, travel, contracts, supplies and equipment. Air fares and transportation costs increase on April first each year in Taiwan and are estimated to be $28,000 (7.5%).

American Institute in Taiwan

FY 1987
Justification of Program Changes

INCREASES

Security Enhancements, $200,000. Based on a comprehensive review of AIT facilities, it was determined that they did not meet minimum standards specified by the Office of Diplomatic Security. The following improvements are needed in 1987 to meet these standards:

-- AIT Main Offices in Taipei: Six perimeter doors need to be replaced to meet the 15-minute forced entry and ballistic standards ($52,000). The main entrance requires a special ballistic modular door package ($16,000). Enhanced and Integrated Technical Systems are needed to provide: better surveilance of adjacent streets; door control and alarms; a teargas system to protect the main lobby; and, a safehaven ($28,000).

-- American Trade Center: An additional ballistic glass/forced-entry resistant door is needed ($11,000). The receptionist booth needs ballistic/forced-entry resistant teller windows and sidelights ($5,000). Equip doors with alarms and with monitors located at the guard booth. Also a Selectone Alarm System is needed to announce emergencies ($5,000).

-- Cultural and Information Section (CIS): A hydraulic vehicle barrier will be installed at the rear gate and controlled by guards ($12,000). The existing guard booth will be upgraded with Lexgard and hardened with a ballistic/forced-entry resistant door, and a second hardened modular unit will be installed at the lobby level staircase ($29,000). All doors need alarms and a Selectone System is needed to announce emergencies ($4,000). A CCTV system is needed to monitor the main entrance and rear parking lot ($6,000). Upgraded Public Access Control will stop unauthorized access to the lobby staircase ($32,000).

Information Systems Manager, $54,000. AIT requests funding for a full-time position to replace the PIT Information Systems Manager position. The incumbent will manage the Computer Services Unit, oversee routine operations of Wang VS minicomputer and OIS word processing systems, and provide computer services to all units of AIT.

Other Information Systems Requirements, $100,000. AIT requests funds to buy workstations, printers and other Wang equipment. This procurement is required to meet workload demands. In 1987, the following systems will be brought on line: Non-Immigrant Visas/Computer-Assisted Process System (NIV/CAPS); Global Economic Data Exchange System (GEDES, Dept. of Agriculture); and two ideographic Chinese word processing workstations. Workstations would also be installed in the following sections: Investigation Unit of the Travel Section; Community Liaison Office; Security Office; warehouse; mailroom; General

Affairs Section; Economic/Commerical Section; the branch office in Kaohsiung; Travel Services Section; and Budget and Finance Section. Additional workstations and printers require corresponding CPU hardware.

Motor Vehicle Acquisition Program, $50,000. AIT's vehicle fleet was established in 1982 and 1983. The replacement schedule for automobiles is five years or 50,000 miles. Half of the automobiles will reach time and mileage replacement marks in 1987. In order to establish a rotation schedule over a five-year period, however, AIT plans to replace only two automobiles in 1987. The replacement schedule for vans is seven years or 70,000 miles. AIT has five vans which were purchased in 1982 and 1983. They too will be reaching time and mileage replacement marks in 1987. Again, to establish a better rotation schedule, AIT plans to replace only one van in 1987. Above cost includes shipping.

Retirement and Insurance Plan, $350,000. AIT requests funds for a Foreign National Retirement and Insurance Benefit Plan. The Plan is needed to comply with Taiwan's Labor Insurance Act. It will be implemented in 1987 and must be fully funded by AIT.

Move to New Kaohsiung Office Space, $125,000. The Kaohsiung branch office needs new office space as the present facility no longer meets requirements. The move will be completed in 1987. The new space will be an empty shell that will require extensive renovation for the commercial and cultural libraries, the Travel Services Section (Consular Section) and the exhibition area.

American Institute in Taiwan

FY 1987
REQUIREMENTS BY OBJECT CLASS
(dollars in thousands)

Object class	1985 Actual	1986 Estimate	Built-in Changes	Current Services	Program Changes	1987 Request	1987 Inc Ovr 1986
Other Services....	$9,800	$9,800	$421	$10,221	$879	$11,100	$1,300
TOTAL BUDGET AUTH.	9,800	9,800	421	10,221	879	11,100	1,300

GENERAL STATEMENT

Mr. **DWYER**. Mr. Feldman, you may proceed at your own pace.

Mr. **FELDMAN**. Thank you, Mr. Chairman.

It is a pleasure to appear here on behalf of the 1987 appropriation for the American Institute in Taiwan, and particularly to be accompanied by Mr. David Dean, the Chairman of the Board and Managing Director of the Institute.

As you are aware, Mr. Chairman, the AIT is a private, nonprofit corporation which promotes commercial, cultural and other relations between the people of the United States and the people of Taiwan. The Institute is involved in a wide range of activities, which include economic reporting, commercial services, trade promotion, cultural and information services.

BUDGET REQUEST, FY 1987

The primary source of funding for the Institute is through a contract with the Department of State. For 1987 we are requesting $11.1 million, an increase of $1.3 million over the 1985 appropriation level.

Part of this $1.3 million increase is for wage and price requirements, including within-grade increases of $105,000, wage increases for AIT's foreign national employees of $66,000, and price increases of $250,000.

The remaining amount of $879,000 provides for program changes that are as follows: $50,000 for the replacement of three vehicles; $200,000 to enhance security at AIT's facilities in Taipei; $154,000 for additional data and word processing equipment and the establishment of an information systems manager position; $350,000 to establish a retirement and insurance benefit plan for the Institute's foreign national employees in compliance with Taiwan's labor insurance act; and $125,000 to move the Kaohsiung branch office. This move is necessary because the owner of the building that we are currently occupying has refused to renew the lease, and plans to sell the building to a developer.

Mr. Chairman, Mr. Dean and I would be pleased to respond to any questions that you may have.

Mr. **DWYER**. Thank you, Mr. Feldman.

[The prepared statement of Mr. Feldman follows:]

DEPARTMENT OF STATE
1987 BUDGET ESTIMATES

STATEMENT OF

ROGER B. FELDMAN

BEFORE

THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS

FOR

COMMERCE, JUSTICE, STATE, THE JUDICIARY
AND RELATED AGENCIES

Payment to the American Institute in Taiwan

March 14, 1986

Mr. Chairman and Members of the Committee:

I am appearing before you today on behalf of the FY-1987 appropriation for the American Institute in Taiwan. Accompanying me this morning are Mr. David Dean, Chairman of the Board and Managing Director of the American Institute in Taiwan, and Mr. Mark Pratt of the Taiwan Coordination Staff in the Department of State.

AIT is a private, non-profit corporation which promotes commercial, cultural, and other relations between the people of the United States and the people on Taiwan.

The Institute is involved in a wide range of activities which include economic reporting, commercial services, trade promotion, agricultural sales, cultural, and information services. The Institute maintains a small headquarters office in Washington, a branch office in Kaohsiung, which includes a cultural and information library, and its main office in Taipei which also operates a very active cultural and commercial library and the American Trade Center.

The primary source of funding for the Institute is through a contract with the Department of State. For 1987, we are requesting for the Institute $11.1 million, an increase of $1.3 million over the 1985 appropriation level of $9.8 million. There was no increase in 1986.

Part of this $1.3 million increase is for wage and price requirements, including within-grade increases of $105,000, wage increases for AIT's Foreign National employees of $66,000, and price increases of $250,000.

Program changes account for remaining $879,000. Included in this figure are the following:

-- $50,000 for replacement of three vehicles. Half of the fleet of 23 vehicles will meet minimum replacement standards in 1987, but the Institute plans to replace only three of them in accordance with its established replacement cycle.

-- $200,000 to enhance security in all AIT facilities in Taipei. A comprehensive review determined that they did not meet minimum standards specified by the Office of Diplomatic Security. Improvements are needed principally in the areas of access control and surveilance.

-- $154,000 for additional data and word processing equipment and establishment of an Information Systems Manager position. This is necessary to maintain the Institute's computer facility and to ensure proper management of the system by a qualified American employee.

- $350,000 to establish a Retirement and Insurance Benefit Plan for the Institute's Foreign National employees in compliance with Taiwan's Labor Insurance Act.

- $125,000 to move AIT's Kaohsiung branch office. This is necessary because the owner of the building currently occupied has refused to renew the lease and plans to sell the building to a developer.

Mr. Chairman, we would be pleased to answer any questions the Committee may have regarding this request.

IMPACT OF SEQUESTRATION IN 1986

Mr. **Dwyer**. Good morning, Mr. Dean.

Again you have $421,000 sequestered under Gramm-Rudman. What has been the impact on your activities?

Mr. **Dean**. We have abolished one American position. We have deferred some security projects. We have cut all our discretionary travel, including most conference participation, and we have had a general cutback in our costs, in telephone, utilities, electricity use, publications procurement, purchases of supplies and equipment, and cutback in our approval of overtime.

This has added up to the figure of over $400,000.

Mr. **Dwyer**. That one employee, was he furloughed?

Mr. **Dean**. No, we just abolished one position.

I might add, if I may, that if further cuts are in the offing, we will have to take even more drastic action, such as closing our trade center or closing our office in Kaohsiung and reducing our staff, since almost all of our budget is salaries and expenses with the exception of a very small academic exchange program.

Mr. **Dwyer**. What are the figures being thrown about as far as the sequestration figure for 1987? They range from 15 to 25 percent.

Mr. **Dean**. It would cripple our operations. At the present time our staff is 55 Americans. That is roughly half the staff that the former embassy had in 1978, and yet our workload has tripled or quadrupled.

For instance, our trade has gone up from $7 billion to over $22 billion this past year, during that seven-year period.

Mr. **Dwyer**. Whose trade?

Mr. **Dean**. Bilateral trade between the United States and Taiwan.

TRADE DEFICIT

Mr. **Dwyer**. How did we do on the deficit?

Mr. **Dean**. We are doing very badly on the deficit. Last year the deficit was $13 billion. That is why our trade center and other activities are very important.

Mr. **Dwyer**. What do you anticipate happening in the next year or two in that regard?

Mr. **Dean**. I think because the value of the dollar has gone down somewhat, we will be more competitive in our sales to Taiwan, competitive with Japan and Europe. I think that the deficit may level off.

Our sales will increase. We hope to sell big-ticket items like nuclear power plants, civilian aircraft and the like, which will also help to bolster our trade figures.

Mr. **Dwyer**. Civilian aircraft, with whom are we in competition?

TRADE COMPETITORS

Mr. **Dean**. With the French air bus, mostly. We sell Boeings, Lockheed planes, but it is the French who have been getting part of the market.

Mr. **Dwyer**. The French are subsidizing that air bus, as I understand it.

Mr. **Dean**. Interest rates at least, that is my belief.

OFFICE SECURITY

Mr. **Dwyer**. You are asking for an increase of $200,000 to enhance security at your facilities in Taipei?

Mr. **Dean**. Yes.

Mr. **Dwyer**. Are we at some type of risk there?

Mr. **Dean**. It is a relatively, I would say, lower risk place than many others in the world, but our facilities are fairly old fashioned, and we had a survey done, and a number of recommendations were made to strengthen our security, by special doors and other special security measures.

Mr. **Dwyer**. Your security was old fashioned?

Mr. **Dean**. Well, the building was old fashioned itself, and not too much had been done with security.

FOREIGN NATIONAL WAGE INCREASES

Mr. **Dwyer**. When people start to think this program is to enhance the fashionability of buildings, we are going to be in a lot of trouble. We went through that yesterday, as a matter of fact.

You are asking for $171,000 for wage increases, within-grade and foreign national wage increases. Can you tell us about that? What percentage of it does this amount to?

Mr. **Dean**. I believe it is a 5 percent increase.

Mr. **Feldman**. Yes, Mr. Chairman.

RECOMMENDATION OF ADVISORY PANEL ON SECURITY

Mr. **Dwyer**. The advisory panel on overseas security made a recommendation at your location. What would it cost to implement that?

Mr. **Feldman**. Mr. Chairman, with your permission, if we could review the Inman Panel report. I am afraid I am not prepared to respond to that, but if we could insert in the record a response, we would be pleased to do so.

Mr. **Dwyer**. By all means.

[The following information was submitted:]

Security of the American Institute in Taiwan

The Advisory Panel on Overseas Security made no specific recommendations concerning the American Institute in Taiwan. However, since AIT is a facility with an American presence in an overseas location, we think it should comply with minimum security standards.

Unfortunately, due to its unique legal status (i.e., the Taiwan Relations Act, P.L. 96-8), the American Institute in Taiwan is not directly eligible for funding under the State Department's worldwide security enhancement program. Nevertheless, the proposed 1987 increase of $200,000 for various security upgrades to the AIT facility will enable it to operate under most of the State Department's minimum security standards.

NECESSITY OF MOVING BRANCH OFFICE

Mr. **Dwyer**. You are also requesting $125,000 to move your Kaohsiung branch office. Will that new building meet the Department's current physical security standards?

Mr. **Dean**. Yes, it has been inspected for that purpose, and will do so.

Mr. **Feldman**. Mr. Chairman, if I may clarify, in response to the reference to the Department's security standards, I don't believe that that move would satisfy all of the standards such as the 100-foot setback requirement.

Mr. **Dwyer**. What would the status of the program be then?

Mr. **Dean**. What is the status?

Mr. **Dwyer**. Yes. Will you still make the move if it doesn't meet the requirement?

Mr. **Dean**. We are moving from one building which is going to be sold and razed. We have to make a move to another office building, and that office building has been given a very comprehensive security review, but does not meet the 100-foot setback and other standards.,

Mr. **Dwyer**. Should you look at a move that would meet the new standards?

Mr. **Dean**. I think it would be very difficult for us to find such a building without building one ourselves, with such a setback, and we don't have the funding for that.

Mr. **Dwyer**. Thank you, gentlemen.

There will be a few more questions for the record on that. We will supply them to you. Thank you.

[The questions and the answers submitted thereto follow:]

QUESTIONS FOR THE RECORD SUBMITTED BY MR. SMITH

New Retirement Program

Question:

You are also requesting an increase of $350,000 to establish a retirement and benefit plan for the Institute's Foreign National employees in compliance with the Taiwan Labor Insurance Act. What are the principal features of this new insurance plan and how does it compare with the Foreign Service Retirement Plan?

Answer:

The proposed retirement and benefit plan for AIT's Foreign National employees would provide a lump sum payment to comply with Taiwan's Labor Insurance Act (LIA) and to maintain comparability with retirement plans offered by other local employers.

The portion of the lump sum payment representing LIA coverage would be based on one month's average earnings per year of service up to 15 years, plus two months' average earnings per year beyond 15 years' service. The maximum payment would be 45 months' earnings after 30 years of service.

The portion representing a supplemental benefit to maintain comparability with local prevailing practice would consist of a lump sum payment of 1.14 months' basic pay times years of service, up to a maximum of 40 months.

Normal retirement ages in Taiwan are 60 for males, and 55 for females. If early retirement is taken, the LIA portion would be reduced by 4 percent for each year before those ages.

There is no comparability with the Foreign Service Retirement Plan which provides an annuity rather than lump sum benefits and which is offered only to American employees of the Foreign Service. Foreign Service National employees worldwide are provided with retirement benefits equivalent to those paid locally by other employers. AIT's proposed plan strives to establish similar comparability with local prevailing practices on Taiwan.

New Retirement Program

Question:

Mr. Feldman, you indicated a little earlier this afternoon that the Administration is planning to propose certain changes in the federal employee retirement benefits. If that proposal were to be approved by the Congress, could the U.S. Government be in the position of providing fewer benefits to its own employees than it would provide for its Foreign National employees in Taiwan.

Answer:

Foreign National employees of the American Institute in Taiwan are not eligible to enroll in any U.S. Government retirement plan. In fact, this benefit is also no longer offered to any Foreign Service National employees of the Department of State. Instead, the State Department now establishes individual benefit programs for each of its overseas facilities based on the local prevailing level of benefits provided by other employers. The Institute is following State's practice by creating a plan for its employees comparable to retirement programs offered by other employers on Taiwan.

FRIDAY, MARCH 14, 1986.

FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

WITNESS

ROGER B. FELDMAN, COMPTROLLER

Mr. **DWYER** [presiding]. We have one more appropriation request for Mr. Feldman. That is the payment to the Foreign Service Retirement and Disability Fund.

The FY 1987 request is $127,398,000, and this amount is an increase of $9,224,000 above the appropriation enacted for fiscal year 1986.

We shall insert the justifications into the record at this point.

[The justification material follows:]

Foreign Service Retirement

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
--	$112,137	--	$118,174	--	$127,398	--	$9,224

I. Summary

This appropriation is authorized by the Foreign Service Act of 1980 (Public Law 96-465). Section 821 of P.L. 96-465 provides for an appropriation to the Fund, in thirty equal annual installments, the amount required for the unfunded liability created by new or liberalized benefits, new groups of beneficiaries, or increased salaries on which benefits are computed. In addition, Section 821 also finances, as part of this appropriation to the Fund for each fiscal Year, an amount equal to the balance of annual costs to the Fund in excess of current employee and employer contributions.

II. Current Programs

This appropriation is one of several sources of income to the Foreign Service Retirement and Disability Fund. The Fund is maintained through: (a) contributions by participants, amounting to 7% of their basic salaries; (b) matching Government contributions; (c) special Government contributions including this appropriation; and (d) interest on investments. It is estimated that approximately 9,023 annuitants will be paid from this fund as of September 30, 1987.

III. 1987 Plans

The 1987 request of $127,398,000 includes $66,678,000 for continuing installments to finance unfunded liabilities created by Federal salary increases, the extension of benefits to new groups of employees, and new or liberalized benefits paid from the Fund. The remaining $60,720,000 is necessary to meet the balance of the Foreign Service normal cost not met by employee and employer contributions. The amount requested represents State's and USIA's portion of these costs of the Foreign Service retirement system. AID is responsible for requesting its share of these costs in a separate legislation. The estimate excludes the impact of Retirement Reform Legislation proposed for later transmittal.

Payment to the Foreign Service Retirement and Disability Fund

Summary Listing of Requirements: Non-Recurring, Annualization, Wage and Price

	Positions				Funds
	Americans				
	Dom	O'seas	FSN	Total Pos.	Bureau Managed Only
					($ in 000)
1986 Estimate............	--	--	--	--	$118,174
Decreases	--	--	--	--	--
Increases					
Maintain Balance of Normal Cost	--	--	--	--	9,224
Subtotal, Increases	--	--	--	--	9,224
TOTAL, Decreases & Increases	--	--	--	--	127,398

Payment to the Foreign Service Retirement and Disability Fund

Explanation of Requirements

INCREASES:

Maintain Balance of Normal Cost, $9,224,000. The 1987 increase of $9,224,000 is required to maintain the balance of the Foreign Service normal cost which is defined as the difference between the employer and employee contributions to the Retirement Fund and the amount necessary to pay future benefits currently being earned by participants in the system. The increase also amortizes the unfunded liability created by the January 1985 pay raise.

Payment to the Foreign Service
Retirement and Disability Fund

FY 1987
REQUIREMENTS BY OBJECT CLASS
(dollars in thousands)

Object class	1985 Actual	1986 Estimate	Built-in Changes	Current Services	Program Changes	1987 Request	1987 Inc Ovr 1986
Benefit Former Per	$112,137	$118,174	$9,224	$127,398	--	$127,398	$9,224
TOTAL BUDGET AUTH.	112,137	118,174	9,224	127,398	--	127,398	9,224

GENERAL STATEMENT

Mr. **DWYER**. Mr. Feldman, you may proceed with your statement at your own pace.

Mr. **FELDMAN**. Thank you, Mr. Chairman.

With your permission, I would appreciate inserting the full text of my prepared statement, and summarize as follows.

The authority for the payment to the Foreign Service Retirement and Disability Fund is provided by Section 821 of the Foreign Service Act of 1980.

MAJOR COMPONENTS OF THE FUND

The request of $127,398,000 has two major components. First, $66,678,000 is requested to finance unfunded liabilities created by statutes which have previously authorized new or liberalized payments, extension of benefits to new groups of employees or increases in salaries on which benefits are computed.

As you are aware, each unfunded liability is amortized over a 30-year period and appropriated for payment in 30 equal installments.

The second portion, $60,720,000, is necessary to finance the balance of the Foreign Service normal cost. The actuaries at the Treasury Department define the balance of the normal cost as the amount of estimated Foreign Service annuity costs being earned by participants in the system which are not met by the matching employee and employer contributions.

POTENTIAL CHANGES TO FEDERAL EMPLOYEE RETIREMENT SYSTEMS

Mr. Chairman, as you are aware, the President's budget contemplates major proposals to change Federal employee retirement systems. These potential changes were indicated for later transmission to the Congress when the President's budget was submitted, and if proposed and enacted, would impact on the appropriations request for the payment to the Foreign Service Retirement and Disability Fund.

At such time as the Administration may submit to the Congress such proposals for change, we will be glad to testify on their impact on the Department's appropriations.

Mr. Chairman, I would be pleased to answer any questions you may have regarding this request.

[The prepared statement of Mr. Feldman follows:]

DEPARTMENT OF STATE
1987 BUDGET ESTIMATES

STATEMENT OF
ROGER B. FELDMAN
COMPTROLLER
DEPARTMENT OF STATE

BEFORE

THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS

For

COMMERCE, JUSTICE, STATE, THE JUDICIARY

AND RELATED AGENCIES

Foreign Service Retirement and Disability Fund

March 14, 1986

Mr. Chairman and Members of the Committee:

It is a pleasure to appear before you to present the 1987 request of $127,398,000 for the annual appropriation to the Foreign Service Retirement and Disability Fund. This request is an increase of $9,224,000 over the 1986 appropriation. The increase is required to maintain the balance of the Foreign Service normal cost.

The authority for the payment to the Foreign Service Retirement and Disability Fund is provided by Section 821 of the Foreign Service Act of 1980 (P.L. 96-465). The $127,398,000 request for 1987 has two major components as follows:

First, $66,678,000 is requested to finance unfunded liabilities created by statutes which have previously authorized new or liberalized payments from the Fund, extension of benefits of the Retirement System to new groups of employees, or increases in salaries on which benefits are computed. Each unfunded liability is amortized over a 30-year period and appropriated for payment in 30 equal annual installments.

Second, the remaining $60,720,000 is necessary to finance the balance of the Foreign Service normal cost. Our actuaries at the Treasury Department define the balance of the normal cost as the amount of estimated Foreign Service annuity costs being earned by participants in the system which are not met by the matching employee and employer contributions.

This appropriation request represents the State and USIA portion of the costs to finance the retirement system. AID is responsible for requesting its share of these costs in separate legislation.

Mr. Chairman, as you are aware, the President's budget contemplates major proposals to change Federal employee retirement systems. These potential changes were indicated for later transmission to the Congress and, if proposed and enacted, would impact on the appropriations request for the payment to the Foreign Service Retirement and Disability Fund. At such time as the Administration's proposals are submitted to Congress, we will be glad to testify on their impact on the Department's appropriations.

Mr. Chairman, this concludes my prepared statement. I will be pleased to answer any questions the Committee may have regarding this request.

IMPACT OF REFORM PROPOSALS

Mr. DWYER. What would be the impact on the fund if the reform proposals were to carry?

Mr. FELDMAN. Mr. Chairman, the proposals that are under consideration would involve no cost-of-living adjustment in 1987. As you may recall, the 1986 adjustment for cost of living was eliminated by the Gramm-Rudman-Hollings legislation.

The proposals would also change the salary base for calculating the annuity from the highest three years to the highest five years of average salary.

Further, in 1987 and beyond, the cost-of-living adjustment would be two percentage points below the consumer price index. There are also several changes that reduce the benefits to bring them in closer conformity to Social Security provisions.

Also, contributions by employer and employee would be increased by 2 percent. If all those changes were enacted, this appropriation would be reduced by about $46 million.

TRANSMITTAL OF PROPOSALS TO CONGRESS

Mr. DWYER. When do you think the President might be sending this proposal to Congress? Do you have any idea?

Mr. FELDMAN. I am afraid, Mr. Chairman, I don't know when that is to be transmitted. I could try to provide an answer for the record.

[The information follows:]

The Administration expects to transmit the legislation to Congress during the week of March 24-28.

STATE DEPARTMENT'S POSITION

Mr. DWYER. What is the Department's position on this?

Mr. FELDMAN. The Department would support those proposals that I delineated.

Mr. DWYER. All right, Mr. Feldman. Thank you for being here this morning.

Mr. FELDMAN. Thank you, Mr. Chairman.

FRIDAY, MARCH 14, 1986.

THE ASIA FOUNDATION

WITNESSES

JOHN C. MONJO, DEPUTY ASSISTANT SECRETARY, BUREAU OF EAST ASIAN AND PACIFIC AFFAIRS

HAYDN WILLIAMS, PRESIDENT, THE ASIA FOUNDATION

ROGER B. FELDMAN, COMPTROLLER

Mr. DWYER [presiding]. The final item that we will consider today is the fiscal year 1987 budget request for The Asia Foundation. The 1987 request is for $9,500,000. This amount is a decrease of $70,000 from the appropriation for 1986, adjusted for sequestration under Public Law 99-177.

We shall insert at this point in the record the justification material submitted in support of this request.

[The justification materials follow:]

The Asia Foundation

Balanced Budget and Emergency Deficit Control Act of 1985

($000 in thousands)

	1986 Enacted	1986 Sequestered	1986 Revised
Program Grants.............	$8,299	-$357	$7,942
Operating Expenses.........	1,701	-73	1,628
TOTAL, Appropriation.......	$10,000	-$430	$9,570

-PROGRAM, PROJECT, ACTIVITY DETAIL-

Appropriation	1986 Appropriation	1986 Sequester	1986 Revised
Program Grants	$ 8,299	-$357	$7,942
Operating Expenses	1,701	-73	1,628
Appropriation Total	$10,000	-$430	$9,570

The information presented above represents the Program, Project or Activities (PPA) and amounts for this appropriation identified in the Presidential order issued February 1, 1986. The amounts reflect the application of the 4.3% reduction to each affected PPA without regard to the current status of funds for specific PPA's. In some instances, funds may have been previously obligated and/or disbursed. In these situations, appropriate action will be taken to assure that adequate funds are available when the President's order becomes effective on March 1.

In the document that follows, the 1986 column reflects amounts appropriated by Congress. The effects of the 1985 Deficit Reduction Act were not received in time to be incorporated within individual budget units.

PAYMENT TO THE ASIA FOUNDATION

For a grant to the Asia Foundation, [$10,000,000] *$9,500,000,* to remain available until expended. *(Department of State Appropriation Act, 1986.)*

Payment to The Asia Foundation

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
--	$9,600	--	$10,000	--	$9,500	--	-$500

I. Summary

The Asia Foundation (TAF) serves long-term American interests by assisting the development of democratic, stable and self-reliant societies in Asia and the Pacific Ocean area, and by fostering friendship and cooperation between these societies and the United States. TAF programs promote democratic political and social institutions, provide leadership training, encourage the private sector, promote regional cooperation, promote mutually beneficial Asian-American trade and investment, and facilitate the exchange of persons and ideas between Asian/Pacific peoples and the United States.

TAF is a privately-governed foundation that receives U.S. Government and private support. With policy direction from the headquarters in San Francisco, TAF programs are carried out by resident Americans in ten field offices in Asia. TAF also has programs in 12 other countries, e.g. the People's Republic of China and the island nations of the South Pacific. From its General Grant Program, TAF makes over a thousand sub-grants each year to Asian organizations. TAF is a major promoter of cooperation in the Association of Southeast Asian Nations (ASEAN) region and has pioneered Pacific economic cooperation.

TAF has a number of other programs, including its: Books for Asia program which distributes over a million American books and journals each year; Translation Service Center in Tokyo which makes available to the American media articles translated from the Japanese press; Luce Scholars program which sends outstanding young Americans to Asia; and, internships in the U.S. for Asians. TAF recently established a Center for Asian/Pacific Affairs to facilitate exchanges between American and Asian institutions and specialists, to serve as an information clearinghouse. and to be a base for policy research.

II. Current Programs

TAF uses most of its General Grant for programs aimed at enhancing representative government, the administration of justice, and the activities of private organizations as the mainstay of pluralistic societies. TAF supports the United States National Committee for Pacific Economic Cooperation.

TAF programs for Asian legislatures are to develop their competence and institutional integrity. National legislative staffs of the Philippines, Korea, Thailand and Taiwan are receiving TAF support in the form of study in legislative drafting and library and reference services. Elected representatives are receiving legislative leadership and management training, and are being exposed to U.S. state legislatures and the Congress. TAF is assisting legislative staff training for Sri Lanka and Pakistan as well.

To strengthen the rule of law TAF is providing broad-gauge support to Asian legal professional and community service volunteers who are striving to make the courts more efficient, accessible and equitable. TAF is helping to develop in-country judicial training programs in the Philippines, Thailand, Bangladesh and other countries. It is bringing supreme court justices from the Philippines, Malaysia, Bangladesh and elsewhere to study new methods of court management and dispute resolution. It is supporting the public legal literacy projects and voter education programs of dozens of Asian bar associations, community volunteer groups and public interest organizations, including the Law and Human Rights Institute in Mindanao and the Indonesia Legal Infrastructure program, reaching into all provinces of that country.

III. 1987 Plans

The emphasis of current programs will continue in FY 1987. TAF will give high priority to assisting democratic institution building in Asia. Supporting the American interest in promoting greater regional economic cooperation in the Pacific and private sector activities in support of ASEAN Post-Ministerial 6 plus 5 initiatives will also be high on TAF's 1987 agenda.

Other priority regional activities include broadening the Foundation's network of working relationships with institutes of strategic studies, human rights and law, women's groups and regional professional associations. If possible, the distribution of American books and journals will be increased to meet strategic and critical library needs.

Payment to The Asia Foundation

FY 1987
Justification of Program Activities

	Positions		Funds
	American	FSN	(in thousands)
1987 Request........................	--	--	$9,500

The basic mission of The Asia Foundation is to further and complement long-term U.S. foreign policy objectives by assisting Asians to develop more open, more just and more democratic societies and by promoting Asian-American friendship and cooperation. The Department of State proposes to support the activities of The Asia Foundation because of TAF's distinctive service to U.S. foreign policy interests and because, in the words of Section 402, Public Law 98-165 (The Asia Foundation Act), the Foundation "as a private organization is able to conduct programs in response to Asian initiatives that would be difficult or impossible for an official United States instrumentality, and it is in a position in Asia to respond quickly and flexibly to meet new opportunities."

These opportunities for the Foundation to enhance the prospects of orderly political succession and greater political freedoms are expanding dramatically in key countries now in critical stages of transition: Korea, Thailand and especially the Philippines. The United States has major strategic, economic and political interests at stake throughout the region, but particularly in those three nations. In FY 1987 TAF will be addressing U.S. concerns in the following ways:

Political: Given the precarious state of democracy in the Philippines the Foundation's first priority will be given to that country. The Foundation will assist programs which will a) increase the competence and independence of the National Assembly; b) improve the efficiency, integrity and accessibility of the court system; c) promote free and fair elections through voter education and citizen public interest group activities; d) strengthen both the freedom and responsibility of the press; e) encourage dialogue between civilians and military; and f) enhance the role of universities as centers for democratic education. This pattern of assistance for political development will be replicated in most of the other countries where TAF is now active.

Economic: To promote U.S. interests in lowering the barriers of protectionism and encouraging free trade in Asia, TAF will support the activities of the U.S. National Committee for Pacific Economic Cooperation and the Pacific Economic Cooperation Conference network of activities.

Payment to The Asia Foundation

FY 1987
Justification of Program Activities

Strategic/Diplomatic: The Foundation will utilize its unique relationships with Asian foreign ministries and centers of strategic and international relations studies to develop Asian foreign service corps which are professionally trained and engrained with a deeper understanding of the United States. Its Asian Young Diplomats program will bring promising mid-career foreign service officers to the U.S. for up to one year of study and observation. It will also extend its current support to foreign service training institutions in Asia for faculty and curriculum development. In addition the Foundation will continue to work toward developing closer relationships between Asian and American centers of strategic studies and international policy issues.

Finally TAF will address U.S. diplomatic interests in Asian regional cooperation supporting the activities of numerous private and professional regional organizations and through the work of its newly-established Center for Asian/Pacific Affairs. The Center will be TAF's conference coordinating arm, helping to plan, arrange and sponsor various regional meetings in cooperation with Asian and U.S. institutions. Second, it will be an information clearinghouse and referral center on activities and events related to regional cooperation and U.S.-Asian relations. Third, it will provide a base for Asian and U.S. scholars supported by TAF to conduct policy-oriented research on topics to be identified by the Center.

As a multi-purpose organization the Foundation is funded by a number of sources. In addition to the General Grant it receives through State, the Foundation has grants to carry out programs of special interest to AID, USIA, the Department of Commerce and the Japan-U.S. Friendship Commission. The Foundation also receives support from American corporations, foundations and individuals, plus major inputs from Asian sources and contributions in-kind of significant value. The estimated dollar value of the non-USG support of the Foundation roughly equals the requested General Grant, thus making each public dollar go further.

The Foundation also makes the public funds it receives go further through cost-effective management and a low level of overhead, attested to by various State Department Inspector General audits of TAF. More than three-quarters of the General Grant will be utilized for direct programming with important Asian governmental and private institutions and organizations in distinctive ways that further long-term U.S. interests in Asia.

The Asia Foundation

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate................ ...	--	--	--	--	$10,000
1987 Current Services..............	--	--	--	--	10,000
Program Changes					
Other Program Activities:					
The Asia Foundation:					
Program Reductions............	--	--	--	--	-500
1987 Request (Budget Authority)....	--	--	--	--	9,500

Payment to Asia Foundation

FY 1987
Justification of Program Changes

DECREASES

Program Changes -$500,000

This decrease will reduce both program grants and services and operating expenses by five percent. The request of $9,500,000 will fund activities throughout the Asia and Pacific basin, including economic and trade cooperation initiatives, training, and other special programs.

The Asia Foundation

FY 1987
REQUIREMENTS BY OBJECT CLASS
(dollars in thousands)

Object class	1985 Actual	1986 Estimate	Current Services Adjust	Current Services	Program Changes	1987 Request	1987 Inc/Dec Ovr 1986
Grants............	$9,600	$10,000	--	$10,000	-$500	$9,500	-$500
TOTAL BUDGET AUTH.	9,600	10,000	--	10,000	-500	9,500	-500

BIOGRAPHICAL SKETCH OF JOHN C. MONJO

Mr. **Dwyer**. We are pleased to welcome to the committee John C. Monjo, Deputy Assistant Secretary, Bureau of East Asian and Pacific Affairs, and Dr. Haydn Williams, President of the Asia Foundation.

Mr. Monjo, we will be happy to have your statement at this time, but before you proceed we will insert your biography in the record at this point.

Mr. **Monjo**. Good morning, Mr. Chairman. Nice to see you again.

[The biography of Mr. Monjo follows:]

JOHN C. MONJO, DEPUTY ASSISTANT SECRETARY, EAST ASIAN AND PACIFIC AFFAIRS

John Cameron Monjo was born in Connecticut, New England. He earned a Bachelor of Science Degree from the University of Pennsylvania in 1953, followed by service in the U.S. Navy from 1953–56.

Mr. Monjo began his career with the Department of State in 1957. He is a specialist in East Asian Affairs, and speaks Indonesian, Japanese, Cambodian and French. His first overseas experience as a Foreign Service Officer was in Phnom Penh from 1958–61. He served in the Economic and Commercial sections in Tokyo from 1961–64, and he was detailed in the Department of the Army in Naha, Okinawa from 1963–67.

After working at the Department of State in Washington, D.C., Mr. Monjo went to Jakarta as a political officer in 1971. In 1976 he moved to Casablanca, Morocco where he was the Principal Officer. His most recent assignment in Washington, D.C. was Country Director for the Philippines from 1978–79. He was Deputy Chief of Mission in Seoul, South Korea from 1979 until he returned to Jakarta in 1982. He served as Deputy Chief of Mission in Jakarta from 1982 to July 1983. Mr. Monjo is presently serving as the Deputy Assistant Secretary for East Asian and Pacific Affairs with responsibilities for Southeast Asian countries.

Mr. Monjo is married and has two children.

GENERAL STATEMENT

Mr. **Monjo**. Mr. Chairman, I am pleased to appear before you today in support of the Administration's request of $9,500,000 for The Asia Foundation in fiscal year 1987.

Also with me today is Dr. Haydn Williams, President of The Asia Foundation, who has a written statement to enter into the record with the subcommittee's approval. I also have a longer statement myself, which I would enter with your permission, sir.

As you noted, the administration's request for The Asia Foundation is modest; it is $500,000 below the fiscal year 1986 appropriation.

The Asia Foundation is making important and distinctive contributions to U.S. foreign policy objectives in Asia. Established more than three decades ago, TAF is a private, publicly supported grantmaking organization furthering American interests in Asia by providing support and cooperation to Asians for the growth and development of their own societies, for the promotion of Asian regional cooperation, and for the enhancement of Asian-American understanding and friendship.

The Asia Foundation today is the major U.S. private instrumentally supporting democratic development in the Asian region.

The Foundation's long-range program goals, reaffirmed by the Foundation's trustees at their January 1986 board meeting, directly reflect American foreign policy objectives as well as Asian needs, identified through ongoing consultations in the field and in Washington.

The Asia Foundation's fiscal year 1987 program will focus on areas where it has special and distinctive opportunities to advance long-term democratic development aims.

Specific priority areas will include: a) strengthening the concepts ~~of~~ constitutionalism and efficient and humane practices in the administration of justice; b) promoting greater citizen awareness of and participation in public policy formation; c) encouraging freedom of thought and speech through the open exchange of ideas; d) promoting free enterprise and entrepreneurship to foster a climate conducive to foreign trade and investment that will benefit both Asians and Americans.

The administration supports and encourages The Asia Foundation because the goals and activities of the Foundation address, in direct and distinctive ways, American foreign policy concerns in Asia.

Nowhere is this more graphically demonstrated than in the Philippines during recent months. Asia Foundation activities, which Dr. Williams has explained in some detail in his statement, before and during the Philippine presidential election have illustrated, once again, the valuable role this unique organization can play in encouraging free and fair political processes on a nonpartisan basis.

You yourself were there and saw some of the organizations with which they had worked for some years prior to the election.

The priority pre-election activities were only one aspect of the Foundation's ongoing program in the Philippines, which includes aid to the National Assembly for leadership training, staff development and improved research and reference services.

In fiscal year 1987 The Asia Foundation will continue to provide assistance in these areas in the Philippines and in the 22 other countries where it has programs. Programs will be conducted through TAF's resident representatives in Asia and through its headquarters in San Francisco.

Support will be provided to Asian recipients through hundreds of small-to-medium size grants. The majority of this assistance will be directed toward in-country programs and toward regional activities such as the Foundation's support to dozens of ASEAN private regional organizations and associations.

In addition, TAF will support and arrange exchange programs for rising Asian leaders in government, business and the professions to come to the U.S. for formal degree study.

Again, I would refer you to Dr. Williams' statement. You can see their record of having seen who is going to be a leader in the future is a very high one. And throughout Asia you will find a great many of the leadership are people who have long association with the Foundation, from the time when they were younger men and women.

The requested General Grant appropriation is critical to The Asia Foundation 's existence. It provides the stable source of funds which is essential if meaningful programs are to be sustained and private support attracted. The Foundation does actively seek and receives substantial private sector cash and in-kind contributions which supplement its General Grant appropriation.

In conclusion, Mr. Chairman, The Asia Foundation is a known entity of proven effectiveness that is making important contributions to the U.S. public interest and to critical Asian needs.

Thank you, sir.

Mr. **Dwyer**. Thank you.

[The prepared statement of Mr. Monjo follows:]

STATE DEPARTMENT STATEMENT ON THE ASIA FOUNDATION HOUSE SUBCOMMITTEE ON APPROPRIATIONS FOR COMMERCE, JUSTICE, STATE, THE JUDICIARY AND RELATED AGENCIES

JOHN C. MONJO
DEPUTY ASSISTANT SECRETARY
BUREAU OF EAST ASIAN AND PACIFIC AFFAIRS

March 14, 1986

Mr. Chairman and Members of the Subcommittee:

I am pleased to appear before you today in support of the Administration's request of $9,500,000 for The Asia Foundation in FY1987. Also with me today is Dr. Haydn Williams, President of The Asia Foundation, who has a written statement to enter into the record with the Subcommittee's approval.

The Administration's request for The Asia Foundation is modest; it is $500,000 below the FY1986 appropriation.

My appearance today gives me the opportunity to reaffirm the State Department's view that The Asia Foundation is making important and distinctive contributions to U.S. foreign policy objectives in Asia. Established more than 3 decades ago, TAF is a private, publicly supported grant-making organization furthering American interests in Asia by providing support and cooperation to Asians for the growth and development of their own societies, for the promotion of Asian regional cooperation, and for the enhancement of Asian-American understanding and friendship. Since its inception, The Asia Foundation has made more grants to more Asian private organizations seeking to promote open, just and democratic societies than any other American or foreign foundation operating in Asia. As a result, The Asia Foundation today is the major U.S. private instrumentality supporting democratic development in the Asian region.

Over 30 years ago, the Foundation pioneered programs and assistance techniques to help Asians build and strengthen their democratic institutions. It remains committed to the belief that timely assistance, provided through unofficial channels, can address vital areas of political development and other development needs not easily accomplished through official bilateral programs.

The principle that continues to shape The Asia Foundation's programs is the belief that democracy and self-government in Asia are, first and foremost, ideals nurtured from within. Support for democratic practices and increased pluralism is provided by The Asia Foundation in response to indigenous initiatives, and not by externally-imposed ideas and plans. The Foundation does not seek to apply American solutions to Asian problems. Rather, it strives to devise and support programs of local public and private institutions that will be useful, durable, and in keeping with the unique fabric of individual cultures and traditions.

The Foundation's long-range program goals, reaffirmed by the Foundation's Trustees at their January 1986 board meeting, directly reflect American foreign policy objectives as well as Asian needs, identified through on-going consultations in the field and in Washington. Those goals, to be pursued during the coming year are:

- To encourage the growth in Asia of more democratic, more open and more just societies concerned with individual rights and opportunities and with broader popular participation in local and national affairs;
- To strengthen indigenous Asian public and private institutions which contribute to stable national development, equitable economic growth, constructive social change and cooperative international relationships;
- To offer encouragement and assistance to rising leaders in government service, the professions and in business, voluntary and traditional sectors of Asian life;
- To facilitate the free flow of information and to further the free exchange and discussion of ideas and issues;
- To nurture attitudes and policies which contribute to the free market system, private enterprise and to a better environment for the growth of mutually beneficial Asian-American economic relationships;

- To promote Asian regional cooperation and self-help through regional organizations, exchanges, training opportunities and research;

- To further Asian-American cooperation, understanding and mutual respect through improved communications, the exchange of persons and ideas, the transfer of knowledge and technology, and through the sharing of cultural experiences and achievements.

The Asia Foundation's FY1987 program will focus on areas where it has special and distinctive opportunities to advance long-term democratic development aims. Specific priority areas will include: a) strengthening the concepts of constitutionalism and efficient and humane practices in the administration of justice; b) promoting greater citizen awareness of and participation in public policy formation; c) encouraging freedom of thought and speech through the open exchange of ideas; and d) promoting free enterprise and entrepreneurship to foster a climate conducive to foreign trade and investment that will benefit both Asians and Americans.

The Administration supports and encourages The Asia Foundation because the goals and activities of the Foundation address, in direct and distinctive ways, American foreign policy concerns in Asia. As a private American organization with more than 30 years of experience and a record of continuity, legitimacy and credibility in Asia, TAF today is in an optimum position to take advantage of the increasing opportunities for freer, more open and more democratic societies in Asia. While there have been setbacks and formidable opponents, the popular commitment to the ideals of democracy in Asia has grown stronger and deeper in spite of the obstacles. The Asia Foundation has made a quiet yet substantial contribution to the progress that has been made in this regard.

Nowhere is this more graphically demonstrated than in the Philippines during recent months. Asia Foundation activities before and during the Philippine presidential election have illustrated, once again, the valuable role this unique organization can play in encouraging free and fair political processes on a non-partisan basis. TAF extended support to local Philippine organizations for the publication and distribution of voter education manuals, for an educational campaign on citizens' rights and responsibilities, for training of poll watchers and for enhancing independent election news coverage.

These priority pre-election activities were only one aspect of the Foundation's on-going program in the Philippines, which includes aid to the National Assembly for leadership training, staff development and improved research and reference services. Assistance was also provided to the courts for enhancing equal access to the judicial system while improving court procedures and promoting human rights; to programs encouraging civil-military dialogue and cooperation; and to dozens of private voluntary organizations committed to the ideals of democratic pluralism.

In FY1987 The Asia Foundation will continue to provide assistance in these areas in the Philippines and in the 22 other countries where it has programs. Programs will be conducted through TAF's resident representatives in Asia and through its headquarters in San Francisco. Support will be provided to Asian recipients through hundreds of small-to-medium size grants. The majority of this assistance will be directed toward in-country programs and toward regional activities such as the Foundation's support to dozens of ASEAN private regional organizations and associations. In addition, TAF will support and arrange exchange programs for rising Asian leaders in government, business and the professions to come to the U.S. for formal degree study, internships and observation/study tours of American federal, state and local government operations and the judicial system. The Foundation's exchange program is unique in that support for exchanges is provided as part of an on-going in-country program rather than as a separately maintained scholarship program for individuals.

To help fulfill its goal of improving the free flow of information, The Asia Foundation also manages Books for Asia, widely regarded as the best program of its kind in America. During the past year TAF distributed more than 1,300,000 books and journals in 16 Asian countries. Most of those books and materials were new books donated by the American publishing industry.

In addition to the Foundation's programs furthering the development of democratic societies, we also view its activities in cooperation with many Asian foreign ministries and centers of international affairs in Asia to be of significant value. At the present time TAF has an unparalleled network of associations and working relationships with the foreign affairs community in Asia that facilitates understanding and resolution of mutual problems.

The requested General Grant appropriation is critical to The Asia Foundation's existence. It provides the stable source of funds which is essential if meaningful programs are to be sustained and private support attracted. The Foundation does actively seek and receives substantial private sector cash and in-kind contributions which supplement its General Grant appropriation.

In conclusion, Mr. Chairman, The Asia Foundation is a known entity of proven and distinctive effectiveness that is making important contributions to the U.S. public interest and to critical Asian needs. President Reagan during his 1983 visit to Korea stated that "The development of democratic political institutions is the surest means to build the national consensus that is the foundation of true security." The Asia Foundation, through its presence and programs, is advancing democratic development and American and Asian security in fundamental ways. The requested grant is necessary if TAF is to be able to continue playing this unique and highly valuable role.

Thank you, Mr. Chairman, for the opportunity to make this statement in support of The Asia Foundation. Dr. Williams or I will be pleased to answer any questions you may have.

STATEMENT OF HAYDN WILLIAMS

Mr. **DWYER**. Doctor Williams, do you want to comment? We will receive your statement or provide it for the record.

Dr. **WILLIAMS**. I would like to introduce my statement for the record. I would like to thank Mr. Monjo for his remarks.

With your permission, I would like to comment on the first two paragraphs in my written statement and my last paragraph.

I want to thank this committee and the Congress for the support given The Asia Foundation in the past several years. Certainly this support has made it possible for the Foundation to respond to requests from one end of Asia to the other, and without this support from the Congress, the Foundation would not have been able to continue.

I also wish to acknowledge the cooperation and the support that The Asia Foundation has received from the Department of State, from the geographic bureaus here in Washington and from the embassy in Asia. We do keep in touch with our embassies and with the bureaus here in Washington, with respect to our planned and future programs, our future programs.

I state in my last paragraph that the General Grant appropriation, which is the Foundations' basic source of funding, and which forms the nucleus around which other support is generated, is the principal means by which the Foundation is able to respond to Asian requests, and yet despite its proven effectiveness and new opportunities, the Foundation's resources are shrinking in real dollars.

While private American support for Foundation programs is growing, the trustees and I will be placing more emphasis on private fund raising, the Foundation will nevertheless continue to depend importantly on its General Grant appropriation, and I hope you agree with me that there are few if any programs in the international affairs budget where such important objectives are served by so few dollars.

Thank you, Mr. Chairman.

Mr. **DWYER**. Thank you, Mr. Monjo and Dr. Williams.

[The prepared statement of Dr. Williams follows:]

Dr. Williams' Statement for Record
House Committee on Appropriations for Commerce, Justice,
State, the Judiciary and Related Agencies

March 14, 1986

Mr. Chairman and Members of the Subcommittee:

I very much appreciate the opportunity to appear before you today to express our most sincere thanks for continued Congressional support to The Asia Foundation. Thousands of Asian institutions and individuals from one end of Asia to the other, striving to strengthen the practices and processes of democracy in their own societies have been assisted by the Foundation over the past 12 months as a result of this Congressional support.

I also wish to acknowledge the cooperation and the support received from the Department of State, especially the geographic Bureaus: The Bureau of East Asian and Pacific Affairs, The Bureau of Near Eastern Affairs, and The Bureau of Human Rights and Humanitarian Affairs. The Foundation too, wishes to express its appreciation to those in the American Embassies in Asia who have taken an interest in the work of The Foundation in their countries and who have been helpful in many ways over the past year.

Since its inception some 35 years ago The Asia Foundation has focused its primary efforts on encouraging and promoting the concepts and institutions of open, just and democratic societies in Asia. The Foundation is firmly convinced by the unfolding events of the past year in Asia that it has a significant and distinctive role to play in assisting Asians to promote fair elections; to strengthen the rule of Law; to modernize and increase the credibility of the courts; to enhance the capabilities of legislative bodies; to improve the freedom and quality of the press; and to advance the roles of universities and private voluntary organizations as contributors to democratic pluralism in Asia. These efforts will continue to be at the heart of the Foundation's activities in FY1987.

In FY1987 The Foundation, as it has in the past, will be responding to the ideas and initiatives of Asians to develop and carry out democratic development programs and projects in these key areas. The ability of The Asia Foundation to be effective results in part from its long established network of contacts and cooperative relationships that have been built up over the years. Having been on the scene in Asia for the past thirty-five years, the Foundation enjoys credibility and trust within important circles, assets that would be difficult and costly to replace over time.

In my written statement to this Committee last year I commented that Asia was undergoing great and dramatic change, and the opportunities offered to The Asia Foundation to help promote democratic development have never been greater or of more significance. I also noted the special importance of the Philippines and indicated the immediate need to support and encourage those forces in that country committed to non-violent political change through free elections. I was essentially optimistic about the outcome of political events in the Philippines because of the numerous citizen organizations whose belief in democracy never wavered who were coming to The Foundation for assistance in greater numbers than ever before.

In response, during the past year The Foundation reprogrammed its limited resources in order to give first priority to the Philippines and to those democratic forces working on a non-partisan basis for free and fair elections. Through the summer of 1986 and up to the Presidential elections, the Foundation aided a variety of private non-partisan groups concerned with citizen's education programs, voter education and registration efforts, public opinion surveys, and speakers forums on national issues. The Foundation also supported independent media to improve its coverage of election issues and election results, university studies of local election practices, lawyers groups for legal literacy and voter education programs, and a host of democratic development related activities.

Obviously, full credit must go to the Filipino people whose courage and conviction precipitated and made possible the events of the past month. However, The Asia Foundation derives satisfaction from the contributions it was able to make during this critical time to the political processes and climate that resulted in a victory for democratic values and non-violent change.

But the real job has only begun. The Asia Foundation intends to work with the new government in the coming year as it goes about the difficult task of promoting political stability, instituting democratic reforms and revamping the country's economy. Discussions for programs involving the Foundation in these areas are already well underway, facilitated by the presence of many former Foundation grantees and project principals in the Aquino government and Cabinet. These Foundation alumni include:

- Salvador Laurel, Vice-President, Prime Minister and Foreign Minister
- Jose Concepcion, Minister of Trade and Industry and former head of NAMFREL
- Jamime Ongpin, Minister of Finance
- Ernest Maceda, Minister of Human Resources
- Lourdes Quisimbing, Minister of Education
- Teodro Locsin Jr., Minister of Information
- Rene Saquisaq, Presidential spokesman

There are several other Asia Foundation alumni in sub-cabinet posts and it is likely that the new Supreme Court will have several members who are former grantees and who remain close to the Foundation, including Justice Claudio Teehankee, possibly the next Chief Justice.

Already indications are that significant program opportunities to encourage stable political development will far, far exceed available Foundation resources - as was the case last year when the Foundation was forced to reprogram funds from other country budgets to make the maximum amount possible available for its urgent pre-election Philippine democracy program.

Dramatic and significant changes on the Asian political landscape also lie ahead in countries such as Korea, Thailand and Pakistan. All three countries are attempting to grapple with the development of democratic political institutions while at the same time maintaining domestic peace and stability. In each case The Asia Foundation has been and will continue to assist these indigenous initiatives. It will aid the national legislatures of all three countries in order to increase their effectiveness as institutions of representative government. It will also support leadership development in the executive branch of government. It will continue to help upgrade the judiciary and the administration of justice. It will support volunteer public interest groups and it will seek ways to encourage the growth of a free and responsible press.

Requests from Asian national legislatures for assistance continue to be received from other countries as well, including Taiwan and Indonesia. During the past year, groups of elected legislators from the Philippines, Korea, Thailand and Taiwan were brought to the U.S. for exposure to the workings of the U.S. Congress on structured programs arranged by The Asia Foundation. Legislative staff from a number of Asian countries also underwent training as visiting fellows and interns in the Congress. None of this would be possible without the understanding and assistance of members and staff of the U.S. Congress, and I want here to register The Foundation's deep appreciation to Congress for this cooperation. That such cooperative efforts have produced results can be demonstrated through two success stories in Thailand and Taiwan.

In the Thai Parliament several significant reforms have been instituted which can be traced directly to the education of members and staff of the Thai Parliament received through visits to the U.S. Congress. Over the past three years, the Foundation has brought to Washington several groups of Thai legislators and a number of staff members to explore legislative organization and practice. The experience gained has had the direct result of legislation being passed to strengthen the administration of the Thai Parliament and to employ for the first time staff assistants for the Members. The Thai Parliament has also expanded the capability of its secretariat, established a legislative administration committee similar in purpose to the House Administration Committee, and has instituted a Parliamentary Fellows program modeled on the U.S. Congressional Fellows program in which Thais have participated with Asia Foundation support.

In Taiwan the Legislative Yuan has approved a plan to develop a legislative research and reference service similar to the services provided Congress by the Congressional Research Service. It involves allocation of significant new funds and staff recruitment, and will be carried out over the next three years. Again, one can trace this development to The Asia Foundation sponsored Congressional seminars and visits to the U.S. Congress over the past three years by members and staff of the Legislative Yuan. In the case of Taiwan, The Asia Foundation has agreed to assist further the Legislative Yuan to implement many of the lessons learned in the United States. It should be made clear that the initiative and decision to move ahead with these changes are local ones, but the U.S. Congress should take satisfaction in having provided the example and the inspiration for many of the changes underway in Asian legislatures.

This movement to enhance democracy and the role of national legislatures also was apparent in Pakistan. With the removal of marshall law, the Parliament of that country has been reconstituted. The Speaker of the National Assembly has already approached the Asia Foundation for a program of assistance over the next three years. The Foundation has responded positively to this request and already has arranged with the Congressional Research Service to have a staff specialist consult with the National Assembly. It is expected that the Foundation will be approached for further assistance with the new Pakistani Parliament as it seeks to strengthen its democratic infrastructure.

All of this past and planned work with Asian legislatures represents only one aspect of the Foundation's efforts to promote the rule of law and democratic governance in Asia. These efforts will be the primary focus of The Asia Foundation work in FY1987, but they are only one element - albeit the major one - of The Asia Foundation's basic mission: i.e. furthering long-term American interests in Asia by matching them with Asian concerns and needs as perceived and expressed by Asians themselves. To this end the Foundation will remain a multi-purpose organization, active in several sectors where its experience has proven it can make distinctive contributions.

One of these sectors is the law, judicial education, court administration , legal literacy, legal aid and respect for human rights. The relationship between democracy and the protection of civic and human rights is obvious. So as part of the Foundation's democracy development program it for years has and continued in FY1985 to give priority to its unique opportunities for working in the law field in nearly every country in Asia: with law schools, bar associations, human rights organizations and with the courts themselves.

It helped establish judicial training institutes for the training of judges, it underwrote continuing education seminars for sitting judges and through its exchange programs it brought leading members of the Asian bench to the U.S. and sent American judges to Asia. It also supported the first meeting of the Chief Justices of Asia in Penang in August 1985 to discuss the problems of "justice delayed is justice denied."

The issue of removing obstacles to freer trade and investment in the Pacific Basin will continue to be an important one for the Foundation. A pioneer 20 years ago in promoting Pacific trade and development, the Foundation has continued to be and active leader in this endeavor. In FY1987 the Foundation will provide continued support to the program of conferences, forums and task forces for the 14 member Pacific Economic Cooperation conference and its American affiliate, the U.S National Committee for Pacific Economic Cooperation.

The Asia Foundation has strengthened its ability to promote Asian-American relations generally, through the establishment of its Center for Asian and Pacific Affairs within the Foundation's structure. This Center will facilitate information exchange as well as serve as an organizer of significant bilateral and regional conferences, such as the highly successful Indonesia-U.S. bilateral conference held this past December in Indonesia and co-sponsored by the Foundation and the Indonesia Center for Strategic and International Studies. A number of senior State Department and Defense Department officials as well as members of the American business and media communities attended and had the opportunity to discuss issues in the Indonesia-U.S. relationship with Indonesian cabinet officers in an unofficial setting. Similar bilateral forums with Pakistan, Korea and Thailand, have also been held and second rounds are planned for next year. It is the Foundation's hope that members of the Congress and staff will be able to participate in these important dialogues in the future.

These activities relate closely to the Foundation's assistance to many Asian foreign ministries and influential Asian centers of strategic and international studies. At the request of virtually every foreign ministry in Asia the Foundation is providing opportunities for the next generation of Asian diplomats and foreign policy makers to study in the U.S. The Foundation believes this is an extremely important program in its ability to provide those future foreign affairs leaders with a greater understanding of democracy, global politics, and the basic institutions of American life and the underpinnings of American foreign policy.

I would now like to say a word about the Asia Foundation's Books for Asia program. Already acknowledged by the Library of Congress as the most consistantly effective program of its kind, Books for Asia is a prime example of public-private cooperation. The U.S. publishing industry makes books available from its stocks to the Foundation which selects and distributes them throughout Asia according to need through its network of field offices. In addition, schools, civic organizations and individuals contribute books to this program. In FY1985 the Foundation shipped 1,300,000 books and journals to nearly every country in Asia. The inventoried and independently audited value of the new book contributions alone exceed 12.7 million dollars in FY1985.

The Foundation uses a portion of its general grant appropriation to help defray storage and ocean freight costs. Asian sources assist in offsetting in-country distribution costs in many places. The availability of these American materials on Asian library shelves not only responds to pressing Asian needs but is a tangible and frequently commented upon gesture of American goodwill and friendship in Asia.

At present, U.S. book donors are prepared to offer many more quality materials than the Foundation is able to accept due to the shortage of funds for storage and shipping. The Foundation is making efforts to redress this problem. It is currently negotiating with the city of San Francisco for free storage space. It has been successful in securing storage and container space from a few corporations. But a further expansion of the Foundation's Books for Asia program will depend upon additional financial resources being made available.

Mr. Chairman, I believe that the Asia Foundation has not only proven its program effectiveness over the past three decades, but has also demonstrated a cost consciousness which produces an extremely favorable cost-benefit ratio. Its salary scale and infrastructure are below those of official U.S. and international agencies. Its staff overseas live and work in modest circumstances and are on the local economies, and the first application of funds is to programs, not to administrative expenses. The Asia Foundation is acutely aware that it is steward of public funds entrusted to it.

The great and dramatic changes in Asia to which I referred last year obviously are gaining momentum from the Philippines to Korea to Pakistan. These changes, as they signify moves to more democratic and open societies , deserve our support and approbation.

If we are supportive, Asian-American relationships will develop on an even firmer footing because they will be rooted in the popular consent of Asian peoples. It is therefore imperative that the United States be able to be in a position to assist, when asked and in appropriate ways, contribute to a positive outcome of these yearnings for democratic change. The Asia Foundation is firmly established in Asia. It is being asked to help now and the time to respond is now.

The General Grant appropriation, which is the Foundation's basic source of funding and which forms the nucleus around which other support is generated, is the principal means by which the Foundation is able to respond to these Asian requests. And yet, despite its proven effectiveness and new opportunities, the Foundation's resources are shrinking in real dollars. While Private American support for Foundation programs is growing-- the Trustees and I will be placing more emphasis on private fund-raising-- the Foundation will nevertheless continue to depend importantly on its General Grant appropriation, and I hope you agree with me that there are few if any programs in the international affairs budget where such important objectives are served by so few dollars.

I would be pleased to answer any questions the committee might have. Thank-you.

RECENT PHILIPPINE ELECTION

Mr. **Dwyer**. I won't go through the litany of the usual Gramm-Rudman sequestration, because we obviously know the impacts it had on The Asia Foundation, and we took some steps yesterday to make corrections in that regard.

While I have some idea of what your activities were in the Philippines, I wonder if you might tell us a little bit more about just what you did in the Philippines in the most recent election.

Dr. **Williams**. Mr. Chairman, I would like to preface my remarks by saying that the credit for what happened in the Philippines, of course, goes to the Philippine people, and to those Filipino organizations with whom we had the privilege of being associated.

Our efforts to support these organizations and these individuals who were seeking democracy in their country, who were seeking to bring about clean elections, began before the elections for their national parliament in 1984, and we made a number of grants to organizations affiliated with NAMFREL.

We made no grant to NAMFREL itself, but to affiliated organizations, for citizen education programs, for the publication of materials to be distributed throughout the country, for training programs, for poll watchers, and for other activities of these organizations concerned with promoting a clean election.

This election surprised most people. It was viewed at the time as the cleanest and fairest election in modern Philippine history, and as you know, the opposition gained many more seats in the national parliament than had been expected.

I would like to emphasize that our work was not partisan. We were not supporting the election of opposition members. Our work was to support those who were striving to promote a clean election.

After the election, we continued to make grants to many of these same organizations for continuing education programs, voter education programs, encouraging citizens to register, to exercise their rights, and to protect their ballots, and again, before the February 7 election in 1986, we made several grants to organizations that were affiliated again with NAMFREL, but no grant to NAMFREL itself.

Some of these grants I think had a significant impact on the ability of the Philippine Federation of Catholic Broadcasters to be on the air, and to disseminate information with respect to the election throughout the Philippines in the days immediately following the election, and certainly that included Radio Veritas.

Therefore, I feel that the Foundation, through its long association with many of these organizations, and their trust in us, was able to make a contribution to the events in the Philippines in the last few weeks.

NEW TAF PLANS FOR THE PHILIPPINES

Mr. **Dwyer**. What type of new programs will you be called upon to engage in, now that there has been a change in the Philippines? Do you want to give us some idea of how you might participate that would be helpful in this regard?

Dr. **Williams**. Some of the new members of the cabinet of Mrs. Aquino have plans, have ideas, that they have already shared with us.

We would hope to be in a position to respond to their requests for helping them restructure their new government, and to resolve their constitutional questions. We have already made a grant to the University of these Philippines for a study of these constitutional questions.

We wish to continue to strengthen the underpinnings of their national parliament. Whether or not this national assembly is dissolved, I don't know, but that doesn't really make any difference.

We still would like to help strengthen the infrastructure, the library reference services, and the training of staff. Some of the steps that have already been taken to strengthen this infrastructure have been a result of the Filipinos who have come to this country under The Asia Foundation grants, and have been exposed to this Congress as Congressional Fellows. Many have gone back and put into practice things that they have learned here, so we certainly would like to continue and expand our program in helping to strengthen their national parliament.

We feel that democracy and justice go hand in hand, and that there is a great need to help restore the people's confidence in their judicial system. We have been working in this area for many years, and we would like to expand our work with those in the judiciary who are interested in court reform.

I would imagine that there are going to be many new judges appointed, and one of the purposes of the judicial administration institute which we helped establish, one of its purposes is to train new judges, so this would be certainly a major area for expanded Asia Foundation activity.

Everyone knows the role of the Church in the Philippines, and we have been working with the Bishops'-Businessmen's Conference, the Council on the Laity, the Catholic Association of the Philippines, and I am sure that they are going to be active in the next few years in further strengthening democracy in that country. If we are in a position, and if they come to us, we would like to continue to help them.

We feel that military reform, of course, is a very important matter on the Philippine agenda. We have had some limited association with some of the Philippine military who were involved in the reform movement.

We have also supported some dialogue between the military and the civilian communities in very sensitive areas, such as Mindanao. We have already had some discussions with respect to civil-military dialogues throughout the country, wherever there is military, not with the Asia Foundation being out in front, but through the council of the laity.

If we have the opportunity, we will certainly continue to work with the Church.

The universities in the Philippines are terribly important, and I have had discussions with some of the presidents of the universities in the Philippines, with respect to their needs for faculty development. Many of the faculty of these universities were educated in the United States, in the 10 years following World War II. They are now retiring, leaving the scene, and there is some worry in the Philippines about who is going to take their place.

We have worked with the press for many years. One of our trustees, Barry Bingham, was head of the International Press Institute, and we helped establish national press institutes in Asia. One of them was in the Philippines, and it was put out of business when martial law came in 1971.

We would like to help revive that press institute, which was concerned with press education, press responsibility, press ethics, and would like to work with that group.

We also feel that it is very important to the United States to have some contact with some of the young intellectuals, the writers, even those on the left, and we would like to seek opportunities to get to know them, and to work with them through PEN and through writers' associations.

Finally, sir, we would like to promote democratic pluralism in the Philippines, by continuing to support, but in an expanded way if we have the means, the work of the private sector, the voluntary organizations, and the Philippines have many, many, many voluntary organizations, professional societies, women's organizations and youth organizations.

I may sound like I am boasting, but it is true we helped get the Bar Association of the Philippines established. We would like to work through them to strengthen legal aid programs throughout the Philippines, clinical legal education. Working with the voluntary private sector, we think, will make a contribution to further democratic development in that country, and I think that these organizations certainly were part of this great movement that is called now People Power.

Thank you, sir.

TAF'S CONTRIBUTIONS FROM PRIVATE SOURCES

Mr. **Dwyer**. Those are important and great tasks and we wish you well, Doctor.

Just one final question. You have some contributions and donations from private sources. Do you expect to increase your efforts in that area?

Dr. **Williams**. Yes, sir, we do expect to increase our efforts, and we are increasing our efforts, and the results so far in 1986 are quite encouraging.

I think that for the record I would like to acknowledge the great contribution the American publishers are making to the work of The Asia Foundation.

One of our most important programs, perhaps best known in Asia, is our Books for Asia Program. There is hardly a library in Asia that does not have shelves and shelves of Asia Foundation books, books that have been given over the past 30 years.

Last year we set a new record. We sent 1,300,000 books and journals to Asia. Most of these are new. I would say about 80 percent of them are brand new, and they are books that Asians need, because our representatives in Asia are asked twice a year to fill out questionnaires about what are the priority book needs in these countries, and when the publishers send us lists of books that they have available, we select the ones we feel are most needed in Asia. Some are for primary schools, some are for secondary schools, many are for universities.

We also put together special collections, and we buy books for government libraries, for Supreme Court libraries, and so our book program is perhaps one of our most valuable contributions to Asia. Peat Marwick Mitchell inventoried our books and looked at all the records, and estimated that in 1985 this contribution was worth $12.8 million.

We have some funds that come to us from our small endowment, and most of the contributions to our endowment come from our trustees. Last year we had income of over $300,000 from this source.

We also receive funds from corporations, some unrestricted, but most of these contributions are restricted. We also have some contributions from foundations who know what we are doing, and who share our purposes, but who themselves do not have an infrastructure in Asia.

I think we can do a better job in raising private money. We are trying to get the Asians to contribute more, and we have been having some success in that area. We have had Asian shipping lines, for example, donate containers, so we can ship books to their countries under their flag, and that saves us a great deal of money.

But we know we have to do a better job in Asia and in the United States in raising private money.

I would like to add that it is very hard to raise private money in the United States for what we call our OJDS program, Open, Just and Democratic Societies. Most contributors usually do not support some of the kinds of things that I have described that we were doing in the Philippines before the 1984 election, and the 1986 election.

Mr. DWYER. I would think that programs like that cannot be depended upon. You can't plan based on donations.

Dr. WILLIAMS. No.

Mr. DWYER. You have to actually have an appropriation in place.

Dr. WILLIAMS. Yes.

Mr. DWYER. Thank you very much, Doctor Williams.

Thank you, Mr. Monjo, for being here.

We have a number of questions which we shall submit to you and you can answer for the record.

[The questions and the answers submitted thereto:]

QUESTIONS FOR THE RECORD SUBMITTED BY MR. SMITH

Private Sector Grants and Contributions

Question:

I understand that historically contributions, donations and endowments from the private sector are just about equal to the amount provided to the Foundation by Congress. In view of our tight budget situation and the Gramm-Rudman legislation, has the Foundation made any plans to seek additional private sector support for your programs, and if so, please tell us about those plans.

Answer:

The General Grant provided to The Asia Foundation by Congress is The Foundation's basic source of funding, affording the stability needed for The Foundation to maintain meaningful programs and to engage in forward planning. The General Grant also forms the nucleus around which other private sector support is generated. Studies of The Asia Foundation by CRS and the State Department have concluded that, while private sector support can perhaps be raised to increasingly complement The Foundation's public General Grant, it is unrealistic to anticipate private sector support being able to substitute for the General Grant.

With the passage of The Asia Foundation Act of 1984, assuring The Foundation of a reasonbly secure public funding base, The Foundation began laying plans for a multi-year coordinated effort to increase its private sector support. These plans for seeking additional private sector support include:

- Strengthening The Foundation's Development Office with two full-time professionals; establishment of a Trustees Development Committee; and the preparation of casebooks and fund-raising support materials;

- Development and implementation of a five-year private fund-raising campaign, with annual goals set, priority donors identified and researched and approaches outlined;

- Inauguration of Country Committees throughout Asia composed of local U.S. businessmen to assist and advise The Foundation on corporate fund-raising;

- Establishment of specifically designated funds within The Foundation's endowment to attract endowment contributions for specific purposes;

- Development and submission of more major proposals to U.S. foundations for specific purposes;

- Increased solicitation of free shipping and container space from Asian and American shipping lines and of free warehouse space for The Foundation's Books for Asia program;

All of these plans are being implemented now. As a result of this new campaign, private cash contributions in 1985 increased 22% over 1984. In-kind contributions, mostly in the form of new books donated by U.S. publishers, more than doubled. The Foundation's private cash contributions target for 1986 is $2,580,000, which is more than double the 1985 figure. The Foundation cannot, of course, be sure that it will be able to meet that target, but it is making every effort to do so.

Finally, it should be noted that most significant cash contributions to The Asia Foundation are for specific purposes, often restricted to one country or for a particular project. In addition, many of the activities supported by The Foundation and deemed important to US interests in the Asian region often fall outside private donor guidelines or interests.

Question:

What other U.S. Government organizations make contributions to the Foundation, and what are the amounts from each?

Answer:

Federal agencies other than the Department of State do not include requests for The Asia Foundation in their budgets. Funds received from these agencies are not contributions. The Asia Foundation competes for grants out of broader budget items, such as country co-financing funds from the Agency for International Development, and The Foundation may or may not be awarded such grants based on the competitive merits of the individual proposals. In FY1985, TAF received the following amounts from other Federal agnecies:

A.I.D.: $4,100,538. Roughly half of this total was received through a contract with A.I.D. and Partners for International Education and Training, a consortium of four non-profit organizations of which The Asia Foundation is one. Partners helps to administer A.I.D.'s participant training program. Funds received under this contract cover participant training costs and administration. The remaining half of the A.I.D. total was in the form of specific support grants awarded by various A.I.D. missions in Asia to TAF.
U.S.I.A.: $171,553
Japan-US Friendship Commission: $53,302
Department of Commerce: $71,193
Total: $4,396,586

Private Sector Grants and Contributions

Question:

Do you anticipate that the amount of support from these other U.S. Government agencies will decline as a result of Gramm-Rudman?

Answer:

Any support which The Asia Foundation receives from other U.S. Government agencies is in the form of grants or contracts awarded by those agencies on a competitive basis and for specific project purposes. Because of this, The Asia Foundation can neither rely on nor accurately predict the level of support it might receive in the coming year from other United States Government agencies.

It would appear, however, that Gramm-Rudman will make it more difficult for The Asia Foundation to competitively seek awards from other U.S. Government agencies because of the reductions in the larger budget items of those agencies from which grants and contracts are provided. Already in FY1986 The Asia Foundation has been informed by at least two other federal agencies that budget reductions make it impossible for those agencies to consider additional project proposals or continue certain forms of grant support.

Private Sector Grants and Contributions

Question:

Please list for the record the name of each donor in the private sector and the amount of its cash contribution or the value of its in-kind contribution for fiscal years 1984 and 1985. In addition please list the total estimated amounts of cash contributions and in-kind contributions for fiscal years 1986 and 1987.

Answer:

1984 and 1985 Corporate, Foundation and Individual Donors

Addison-Wesley Publishing Company
Jean E. Alexander
Allied Foundation
Altrusa Club of San Francisco
Aspen Systems Corporation
Atlantic Richfield Foundation
ARCO International Oil and Gas Company
BankAmerica Foundation
Bingham Enterprises, Inc.
Book of the Month Club
William F. Bramstedt
Greyson Bryan
Ellsworth Bunker
Howard Russell Butler
The Chevron Fund
Robert C. Child
Richard P. Cooley
Jean and Herbert Cornuelle
R.R. Donnelley & Sons Co.
Dow Jones and Co., Inc.
Eiseman Charitable Trust
Facts on File, Inc.
Janet and Mortimer Fleischacker Foundation
R.G. Follis
Walter Jarett Frost
Ganlee Fund
General Electric Foundation
Harcourt Brace Jovanovich Foundation
Harper & Row Publishers
Dr. and Mrs. Caryl P. Haskins
William and Flora Hewlett Foundation
Charles J. Hitch
Chinn Ho Foundation
Hosa Bunka Foundation, Inc., Japan
The Irwin Family

Houghton Mifflin Co.
Ernest M. Howell
Mabel S. Ingalls
The Japan Foundation
George F. Jewett, Jr., a 1965 Trust
Kingsport Press
Robert Huntington Knight
Korean Council of University Education
W.A. Krueger Co.
Little Brown and Co.
The Henry Luce Foundation
George C. McGhee
O.E. McIntyre, Ltd., Canada
Mobil Oil Indonesia
Mrs. Maurice T. Moore
C.V. Mosby Co.
Nissan Motor Corporation in USA
W.W. Norton Company
George R. Packard
Arthur Paul Memorial Fund
Peat, Marwick and Mitchell & Co.
Patricia Price Peterson Foundation
Fund for Assistance to Private Education
Prentice Hall, Inc.
Lucian and Mary Pye
B.T. Rocca, Jr. & Co.
Christine H. Russell
Madeleine Haas Russell Charitable Trust
Mr. and Mrs. William Russell-Shapiro
Scherman Foundation
Scott Foresman & Co.
Lora Spaulding
Starr Foundation
Mrs. Carl W. Stern
Time, Inc.
Wadsworth, Inc.
The Warner-Lambert Foundation
Waverly Press, Inc.
Brayton Wilbur Foundation
John Wiley & Sons, Inc.
Haydn Williams
Baker & Taylor
Prof. Todd Bender
Barry Bingham, Sr.
Borg-Warner Foundation
Mrs. Ellsworth Bunker
Caterpillar Foundation
Central Union Church
The Columbia Foundation

Consolidated Freightways, Inc.
Creative Computing Press
Crown Zellerbach Foundation
Georgetown University Bookstore
Gorsuch Scarisbrick Publishers
Margaret Jewett Greer
Gulf Oil Corporation
G.K. Hall and Co.
Mrs. Peggy Hasker
Richard D. Irwin, Inc.
Komatsu America Foundation
Laidlaw Brothers
Lange Medical Publishers
Levi Strauss Foundation
Macmillan Publishing Co.
Merrell Dow Pharmaceuticals
K.J. Mysels
National Semiconductor Corporation
W.W. Norton Company
Oceana Publications
Philip J. Ouellet
Overseas Orient Cargo Lines
Mr. & Mrs. Rudolph A. Peterson
Pfizer International Corp. (S.A.) Thailand
Rand McNally & Co.
Robert A. Scalapino
Scribner Books Co., Inc.
Security Pacific Foundation
Russell G. Smith
Richard Smulevitz
South Western Publishing Co.
Doris Treakle
United Presbyterian Church, Oregon
University of Delaware Bookstore
University Park Press
University Press of America
Barbara Walzer
Wells-Fargo Bank
West Publishing Co.
Westview Press
Williams and Wilkins
Wilton Packaging
K.A. Yamakawa
Year Book Medical Publishers

	FY1984 (Actual)	FY1985 (Actual)	FY1986 (Proj.)	FY1987 (Proj.)
Cash	862,497	1,090,354	2,580,000	3,295,000
In-Kind:				
Books	6,695,905	12,757,720	14,000,000	15,000,000
Services	56,466	111,047	125,000	130,000
Total:	7,614,868	13,959,121	16,705,000	18,425,000

DONORS OF BOOKS AND JOURNALS

PUBLISHERS

Books: 515,485 Journals: 3,536

Addison-Wesley Publishing Company—Menlo Park, CA
Aspen Systems Corporation—Gaithersburg, MD
Book of the Month Club—New York, NY
Boyd & Fraser Publishing Company—San Francisco, CA
Dilithium Press, Ltd.—Beaverton, OR
Facts on File—New York, NY
W.H. Freeman & Company—San Francisco, CA
Freeman Cooper & Company—San Francisco CA
Harcourt Brace Jovanovich—New York, NY
Harper & Row Publishers—Scranton, PA
Harvard Business Review—Boston, MA
Houghton Mifflin Company—Burlington, MA
Richard D. Irwin, Inc.—Homewood, IL
Jossey-Bass, Inc.—San Francisco, CA
William Kaufmann, Inc.—Los Altos, CA
Laidlaw Brothers—River Forest, IL
Lange Medical Publications—Los Altos, CA
Lawrence Erlbaum Associates, Inc.—Hillsdale, NJ
Little Brown & Company—Boston, MA
Longman, Inc.—New York, NY
C.V. Mosby & Co.—St. Louis, MO
W.W. Norton & Company, Inc.—New York, NY
Oceana Publications—Dobbs Ferry, NY
Prentice Hall, Inc.—Philadelphia, PA
Reading Enrichment Company, Inc.—West Paterson, NJ
William H. Sadlier, Inc.—Jersey City, NJ
Schoken Books, Inc.—New York, NY
Scott Foresman & Co.—Glenview, IL
Sinauer Associates Publishers—Sunderland, MA
South-Western Publishing Co.—Cincinnati, OH
Stanford University Press—Stanford, CA
Time-Life Books—Alexandria, VA
University of Alabama Press—University, AL
University of Washington Press—Seattle, WA
University Science Books—Mill Valley, CA
Vanderbilt University Press—Nashville, TN
Viking Penguin, Inc.—East Rutherford, NJ
Wadsworth Publishing Company—Belmont, CA
John Wiley Publishers—Somerset, NJ
Williams & Wilking Company—Easton, MD
The World Almanac—New York, NY
Yearbook Medical Publishers—New York, NY

COLLEGES AND UNIVERSITIES

Books: 19,784 Journals: 41,815

California State University—Northridge, CA
California State University—Stanislaus, CA
California Institute of Technology—Pasadena, CA
Clackamas Community College—Oregon City, OR
Frostburg State University—Frostburg, MD
Golden Gate University—San Francisco, CA
Hamline University—St. Paul, MN
Harvard University—Cambridge, MA
Hastings Law School—San Francisco, CA
Humboldt State University—Arcata, CA
Kent State University—Kent, OH
Lehigh University—Bethlehem, PA
Menlo College Library—Menlo Park, CA
Missouri University—Columbia, MO
Northeastern University—Boston, MA
Northwestern University—Evanston, IL
Oglala Lakata College—Kyle, SD
Ohio University—Athens, OH
Oregon Institute of Technology—Klamath Falls, OR
Portland State University—Portland, OR
Southwestern College—Chula Vista, CA
University of California—Berkeley, CA
University of California—Davis, CA
University of California—Los Angeles, CA
University of California—San Francisco Medical Center
University of California—San Francisco School of Business
University of California—Santa Barbara, CA
University of North Carolina—Chapel Hill, NC
University of Rochester—Rochester, NY
University of Southern California—Los Angeles, CA
University of Washington—Seattle, WA

SCHOOLS (Elementary, Secondary, Etc.)

Books: 8,011

Berkeley High School—Berkeley, CA
North Bend School District—North Bend, OR
Saddleback Unified School District—Los Angeles, CA

BOOKSTORES

Books: 26,441 Journals 1,881

Angelo State University Bookstore—San Angelo, TX
Brevard Community College Bookstore—Cocoa, FL
California State University Bookstore—Hayward, CA
Chabot College Bookstore—Hayward, CA
Clackamas Community College Bookstore—Oregon City, OR
College of San Mateo Bookstore—San Mateo, CA
Dordt College Bookstore—Sioux City, IA
Dubois Bookstore—Kent, OH
Essex Community College Bookstore—Baltimore, MD
Georgetown University Bookstore—Washington, D.C.
Gustavus Adolphus College—St. Paul, MN
Hamline University Bookstore—St. Paul, MN
Hornet Bookstore, California State University—Sacramento, CA
Isla Vista Bookstore—Goleta, CA
Joliet Junior College Bookstore—Joliet, IL
Keydet Bookstore, Virginia Military Academy Inst.— Lexington, VA
Lake Superior State College—Sault Ste. Marie, MI
Long Beach City College Bookstore—Long Beach, CA
Marcus Bookstore—San Francisco, CA
Miami Dade Bookstore—North Miami, FL
Montana State University Bookstore—Bozeman, MT
Mt. Hood Community College Bookstore—Gresham, OR
Northern Illinois University Bookstore—Dekalb, IL
Northwestern Oklahoma State University Bookstore- Alva, OK
Oglala Lakata College Bookstore—Kyle, SD
Orange Coast College Bookstore—Vista Mesa, CA
Orange County Community College Bookstore—Middletown, NY
Pacific Lutheran University Bookstore—Tacoma, WA
Princeton University Store—Princeton, NJ
Ricks College Bookstore—Rexburg, ID
Skyline College Bookstore—San Bruno, CA
Southwestern College Campus Store—Chula Vista, CA
Spartan Bookstore, San Jose State University— San Jose, CA
State University College at Oswego Bookstore—Oswego, NY
Student Supply Store—Ames, IA
University Book Center—Boulder, CO
University Bookstore—Laramie, WY
University of California Bookstore—Davis, CA
University of Delaware Bookstore—Newark, DE
University of Hawaii Bookstore—Honolulu, HI
University of Minnesota Book Center—Minneapolis, MN
University of Richmond Bookstore—Richmond, VA
Virginia Commonwealth University Bookstore—Richmond, VA
William Rainey Harper College Bookstore—Palatine, IL
Yuba College Bookstore—Marysville, CA

ORGANIZATIONS, BUSINESS FIRMS, LIBRARIES

Books: 96,566 Journals: 16,088

Attorneys' Book Company—San Mateo, CA
Allied Chemical—Pittsburgh, PA
Altrusa International
American Association for State & Local History—Nashville, TN
American Chemical Society—Albany, CA
American Geophysical Union—Washington, D.C.
Association for Asian Studies—Ann Arbor, MI
Ben Franklin Books—Albany, CA
Berkeley Public Library—Berkeley, CA

Brown & Williamson Tobacco Corporation—Louisville, KY
Book Passage—San Francisco, CA
Book Shop—Hayward, CA
California Center for Judicial Education & Research—Berkeley, CA
California Nurses' Association—San Francisco, CA
California State Department of Transportation—Sacramento, CA
Campus Textbook Exchange—Berkeley, CA
Chevron Shipping Company—San Francisco, CA
Cody's Store—Berkeley, CA
College Book Company of California—Garden Grove, CA
Community Colleges for International Development—Chapel Hill, NC
Crown Books—Los Altos, CA
East Bay Municipal Utility District—Oakland, CA
East-West Communication Institute—Honolulu, HI
Ephraim Margolin Law Offices—San Francisco, CA
Erkstine & Tulley—San Francisco, CA
Firlands Correction Center—Seattle, WA
Follett College Book Company—Chicago, IL
Georator Corporation—Manassas, VA
The Heritage Foundation—Washington, DC
Kaiser Permanente Medical Center—San Rafael, CA
J.A. Majors Company—Irving, TX
Meals for Millions, Freedom from Hunger Foundation— Davis, CA
Merchandise Dynamics—Cold Spring, NY
Missouri Book Services—Columbia, MO
Moe's Bookstore—Berkeley, CA
The Nature Company—Berkeley, CA
New Jersey Book Company—Newark, NJ
Over the Rainbow—Stockton, CA
Philipps, Mooer, Lampio & Finley Law Firm—San Francisco, CA
Running Shop Sports—Palo Alto, CA
San Francisco Museum of Art—San Francisco, CA
Stacy's—Palo Alto, CA
Syva Research Company—Palo Alto, CA
Tower Books—Sacramento, CA
Townsend & Townsend—Palo Alto, CA
United States Department of Agriculture—Phoenix, AZ
United States Forest Service—Berkeley, CA
Varian Associates—Palo Alto, CA
Veteran's Administration Medical Center—San Francisco, CA
Zoecon Corporation—Palo Alto, CA

INDIVIDUALS (242 donors)

Books: 16,374 Journals: 56,307

GRAND TOTAL, ALL SOURCES

Books: 682,661 Journals: 119,603

URGENT SUPPLEMENTAL, FY 1986

Mr. **Dwyer**. Mr. Feldman, do you have a statement you want to make in this connection?

Mr. **Feldman**. Yes, Mr. Chairman.

Mr. **Dwyer**. Go ahead.

Mr. **Feldman**. Thank you, Mr. Chairman.

Mr. Chairman, I have been advised to state that the Administration opposes the action of the subcommittee at yesterday's markup providing an urgent supplemental appropriation of $2 million for The Asia Foundation.

The subcommittee action would reverse the effects of the 1986 Gramm-Rudman-Hollings sequestration of $430,000, and provide an additional $1,570,000.

This funding was not requested by the administration and is not consistent with the President's budget and the targets and intents of the Gramm-Rudman-Hollings deficit reduction legislation.

New program opportunities, as they arise, should be financed by realigning current base activities to match current priorities within the amounts provided by the administration for The Asia Foundation .

I thank you, Mr. Chairman.

Mr. **Dwyer**. Mr. Feldman, is that your statement or is that the Office of Management and Budget's statement?

Mr. **Feldman**. This statement has been approved by the Office of Management and Budget, Mr. Chairman.

Mr. **Dwyer**. It actually defies my logic, because you or your Department sought and received $70 million outside the sequestration of Gramm-Rudman yesterday.

Mr. **Feldman**. Mr. Chairman, if I may, that was in fact contained within the President's budget, and is within the Gramm-Rudman deficit reduction target.

Mr. **Dwyer**. The budget that the President submits is a working document that comes to Congress and Congress has to make the individual judgments based on the testimony that is gathered in committees.

Thank you for your statement.

Mr. **Feldman**. Thank you, Mr. Chairman.

Monday, March 17, 1986.

ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD

WITNESSES

DONALD J. BOUCHARD, ASSISTANT SECRETARY OF STATE FOR ADMINISTRATION

RICHARD N. DERTADIAN, DEPUTY ASSISTANT SECRETARY FOR FOREIGN BUILDINGS

Mr. Smith. This afternoon we will consider the FY 1987 Budget request for Acquisition and Maintenance of Buildings Abroad. The request is for $1,362,120,000. That is an increase of $1,039,611,000 above the FY 1986 appropriation to date, adjusted for sequestration.

We shall insert the justification materials submitted in support of this request at this point in the record.

[The justification materials follow:]

Acquisition and Maintenance of Buildings Abroad

Balanced Budget and Emergency Deficit Control Act of 1985

($000 in thousands)

	1986 Enacted	1986 Sequestered	1986 Revised
ACQUISITION, DEVELOPMENT AND CONSTRUCTION..............	$437,323	-$9,564	$427,759
LEASEHOLD PAYMENTS..............	85,972	-1,884	84,088
FUNCTIONAL PROGRAM..............	50,255	-1,159	49,096
RELATED ACTIVITIES..............	79,836	-1,739	78,097
ADMINISTRATION..................	8,747	-145	8,602
Total, Program................	662,133	-14,491	647,642
Financing:			
Unobligated Balance..........	-315,633	--	-315,633
Anticipated Proceeds of Sale.	-9,500	-323	-9,823
TOTAL, Appropriation............	$337,000	$-14,814	$322,186

-PROGRAM, PROJECT, ACTIVITY DETAIL-

Appropriation	1986 Appropriation	1986 Sequester	1986 Revised
Acquisition, Development and Construction			
Ivory Coast, Abidjan	$1,560	-$67	$1,493
Botswana, Gaborone	5,570	-240	5,330
Benin, Cotonou	2,670	-115	2,555
Sudan, Khartoum	2,410	-104	2,306
Chile, Santiago	6,100	-262	5,838
Guyana, Georgetown	10,449	-449	10,000
Venezuela, Caracas	22,870	-983	21,887
Bolivia, La Paz	21,328	-917	20,411
Jamaica, Kingston	1,360	-58	1,302
Papua, Port Moresby	500	-21	479
China, Guangzhou	1,151	-49	1,102
China, Shanghai	1,200	-52	1,148
China, Beijing	2,000	-86	1,914
Turkey, Ankara	2,025	-87	1,938
Turkey, Istanbul	1,260	-54	1,206
Turkey, Ismir	865	-37	828
Cyprus, Nicosia	11,100	-477	10,623
Germany, Bonn	11,995	-516	11,479
Geneva, START	3,130	-135	2,995
Germany, Bonn	5,500	-237	5,263
Algeria, Algiers	1,615	-69	1,546
Tunisia, Tunis	3,130	-135	2,995
Iraq, Baghdad	14,700	-632	14,068
Leasehold Payments	78,913	-3,393	75,520

b

Appropriation	1986 Appropriation	1986 Sequester	1986 Revised
Functional Programs:			
PAC Upgrade Program	22,210	-955	21,255
Fire/Safety Retrofit	6,900	-297	6,603
Energy Retrofit	2,000	-86	1,914
Generators	2,588	-111	2,477
Seismic Retrofit	250	-11	239
Communication Center Renovations	4,085	-176	3,909
Communication Center Security Enhancement	9,118	-392	8,726
Related Activities:			
Project Supervision	6,311	-271	6,040
Minor Improvements	8,647	-372	8,275
Maintenance of Buildings	41,827	-1,799	40,028
Furniture, Furnishings and Equipment	11,254	-484	10,770
Real Estate Management System	1,535	-66	1,469
Administration:			
Administrative Expenses	6,874	-296	6,578
Subtotal	337,000	-14,491	322,509
401(C) Authority - Offsetting Collection	7,500	-323	7,177
Total	$344,500	-$14,814	$329,686

The information presented above represents the Program, Project or Activities (PPA) and amounts for this appropriation identified in the Presidential order issued February 1, 1986. The amounts reflect the application of the 4.3% reduction to each affected PPA without regard to the current status of funds for specific PPA's. In some instances, funds may have been previously obligated and/or disbursed. In these situations, appropriate action will be taken to assure that adequate funds are available when the President's order becomes effective on March 1.

In the document that follows, the 1986 column reflects amounts appropriated by Congress. The effects of the 1985 Deficit Reduction Act were not received in time to be incorporated within individual budget units.

ACQUISITION [, OPERATION,] AND MAINTENANCE OF BUILDINGS ABROAD*

*See Part II for additional information.

For necessary expenses for carrying out the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292–300), [$337,000,000] *$1,362,190,000*, to remain available until expended: *Provided*, That balances of previous appropriations for "Acquisition, operation, and maintenance of buildings abroad" shall be transferred to and merged with this appropriation. *(Department of State Appropriation Act, 1986; additional authorizing legislation to be proposed.)*

Acquisition and Maintenance of Buildings Abroad (Regular)

FY 1987

SUMMARY STATEMENT

(Dollars in Thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr.(-)	
Positions	Funds	Positions	Funds	Positions	Funds	Positions	Funds
149	$383,431	342	$791,532	342	$1,362,120	--	$570,588

I. Summary

The Office of Foreign Buildings Operations (FBO) provides office and residential facilities to accomplish foreign policy objectives. The office acquires necessary properties by purchase, lease and construction; sells surplus property; furnishes offices and residences ; and provides funds for the maintenance of buildings abroad for U.S. diplomatic and consular establishments and representatives of other U.S. Government agencies. Authority for this purpose was granted by the Foreign Service Buildings Act of 1926, as amended.

Several goals are derived from this mandate. FBO must program and budget for necessary office space and housing. These facilities must be appropriate, safe, secure, energy efficient and cost effective. Further, these facilities should be maintained, and rehabilitated when necessary, to achieve functional efficiency.

The Department has determined that for security, safety and operational effectiveness, all Chancery buildings and Ambassador's residences should be government-owned or long-term leased. These are special purpose buildings that must be on sites that can be adequately protected, while being appropriately located to meet operational, communication and other post requirements.

II. 1985 Program

Given the serious escalation in security threats to the Department's overseas operations, particularly in the Middle East, Security Supplementals totalling $175,511,000 were requested and approved for new buildings or renovations to existing facilities to assure that these facilities meet minimum security standards. An additional 42 positions (27 domestic support and 15 project manager positions) were also requested and approved to support these new construction and renovation projects. In addition, $20,068,000 was approved for the Moscow Embassy Complex to meet contractor delay claims and to continue the project through completion.

Acquisition and Maintenance of Buildings Abroad (Regular)

III. Current Programs

The Department has requested a security supplemental of $454,532,000 in 1986 to begin the implementation of the capital program recommended by the Secretary's Advisory Panel on Overseas Security. To implement the security program, various management changes were made within FBO. An automated project management system was implemented along with a program management staff whose sole responsibility is to assure that all Security Supplemental Projects are managed properly. FBO is also utilizing different construction methods than in the past, such as fast track, construction management and design/build where those methods are applicable.

IV. 1987 Plans

The 1986 supplemental also contains a request for 177 additional positions to implement the building program recommendations. These positions are necessary for the internal reorganization of FBO which will allow for more effective management of this major building program. The 1987 request includes capital projects totalling over $1 billion for the Security Construction program.

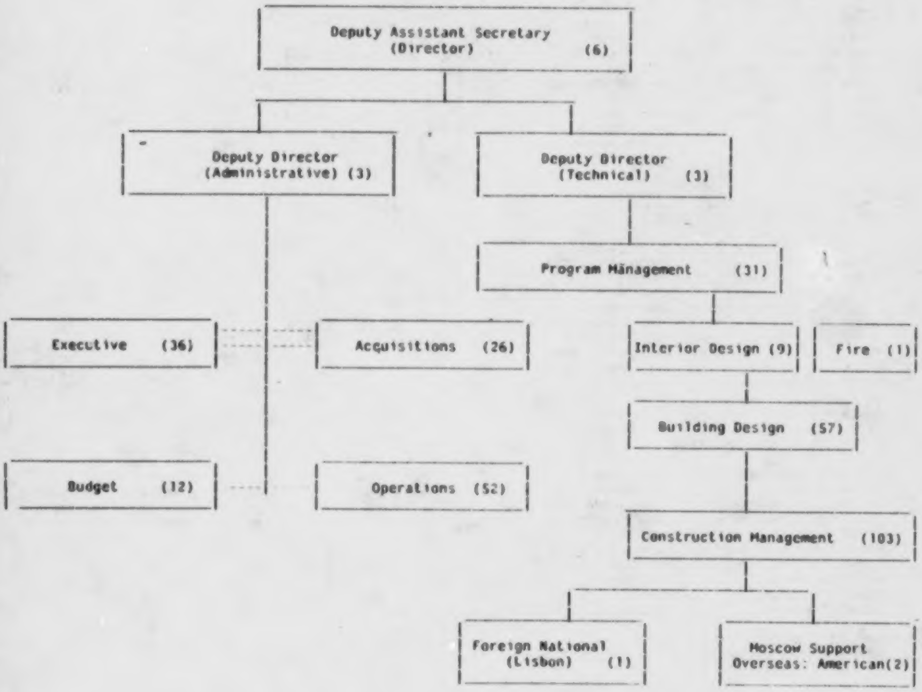
There are othe important capital projects which require funding in 1987. Funds are requested for capital programs in Sudan, Guyana, Belize, West Germany and the Peoples Republic of China (PRC) . Continued funding is requested for the ongoing rehabilitation of staff housing in Bonn. Since this complex is one of the Department's largest and most important real estate holdings, this funding is necessary to insure that the value of this property is maintained. Funds for purchase of staff housing for DOD personnel is also requested for five posts.

Improved relations with the PRC have allowed us to expand our diplomatic and commercial presence, thus requiring an increase in staff. It is no longer feasible to continue to accommodate an expanded staff in temporary facilites. Agreements are underway with the Chinese for land lease and construction of facilities in Guangzhou, Shanghai and Beijing.

We have requested additional funds for project supervision to assure that all major construction projects have a manager on site at all times. FBO is also requesting funds to develop a program to further the training and assistance given project managers.

Acquisition and Maintenance
of Buildings Abroad (Regular)

Office of Foreign Buildings
Organization Chart
Total Positions: 342


Deputy Assistant Secretary (Director) (6)
Deputy Director (Administrative) (3)
Deputy Director (Technical) (3)
Program Management (31)
Executive (36)
Acquisitions (26)
Interior Design (9)
Fire (1)
Building Design (57)
Budget (12)
Operations (52)
Construction Management (103)
Foreign National (Lisbon) (1)
Moscow Support Overseas: American(2)

Acquisition and Maintenance of Buildings Abroad (Regular)

FBO Program Summary
FY 1986 - FY 1987
(dollars in thousands)

Area	Country and Post	Project	Summary					
			Prior Appro/ Proceeds	1986 Approp.	1986 SY Supp	1987** Appro.	Required to Complete	Total Project
Acquisition, Development & Construction:								
AF:	Ivory Coast, Abidjan	OBC/CON	--	$ 1,560		$37,509	-	$ 39,069
	Ivory Coast, Abidjan*	SOR-3/SDA-3/PUR	--	--	--	885		885
	Benin, Cotonou	OBC/ACQ/DEV	--	2,670	--	--	$23,319	25,989
	Senegal, Dakar*	SDA-2/PUR	--	--	--	190		190
	Djibouti, Djibouti	OBC/REHAB	$ 1,800	--	$ 800			2,600
	Botswana, Gaborone	OBC/CON	500	5,570		--	--	6,070
	Uganda, Kampala	OBC/ACQ/DEV/CON	--	--	-	28,912		28,912
	Sudan, Khartoum	OBC/CON	--	2,410	33,940	--	--	36,350
	Somalia, Mogadishu	OBC/CON	14,340	--	19,287	--		33,627
	South Africa, Pretoria	OBC/ACQ/CON	837	--	--	33,298	--	34,135
	Cameroon, Yaounde	OBC/ACQ/DEV/CON		-	-	29,355		29,355
	Cameroon, Yaounde*	SAR/SDA/PUR	--	--	-	600		600
	Subtotal, AF		17,477	12,210	54,027	130,749	23,319	237,782
	1986 Carryover Balances			4,091				
	Estimated Obligations 1986			16,301				
ARA:	Belize, Belmopan	CMP/DEV/CON	430	--	--	33,062	--	33,492
	Columbia, Bogota	OBC/ACQ/DEV/CON	--	--	--	57,589	--	57,589
	Venezuela, Caracas	OBC/CON	1,300	22,870	20,721	--	--	44,891
	Guyana, Georgetown	OBC/CON	700	10,449	4,307	--	--	15,456
	Guyana, Georgetown	EMR/ACQ/DEV/CON	-	--	--	500	--	500
	Jamaica, Kingston	OBC/ACQ/DEV/CON	557	1,360	53,628	--	--	55,545
	Bolivia, La Paz	OBC/CON	2,511	21,328	12,611	--	-	36,450
	Peru, Lima	OBC/ACQ/DEV/CON	--	--	--	68,640	--	68,640
	Chile, Santiago	OBC/CON	-	6,100	44,556	--	-	50,656
	Honduras, Tegucigalpa	OBC/CON	11,355	--	4,351		-	15,706
	Subtotal, ARA		16,853	62,107	140,174	159,791	--	378,925
	1986 Carryover Balances			7,257				
	Estimated Obligations 1986			69,364				
EA:	Thailand, Bangkok*	SDA-6/PUR	--	--	--	900	--	900
	China, Beijing	OBC/ACQ/DEV	--	2,000	--	11,849	50,632	64,481
	Australia, Canberra	SAR-11/PUR	--	5,400	-	1,100	--	6,500
	Thailand, Chiang Mai	OBC/ACQ/DEV/CON				21,179		21,179
	China, Guangzhou	COB/DEV	--	1,151	--	--	--	1,151
	Hong Kong, Hong Kong*	SDA-1/PUR	--	--	--	1,100	--	1,100
	Papua, Port Moresby	OBC/CON	--	500	--	--	20,657	21,157
	Burma, Rangoon	OBC/CON	3,170	--	--	--	35,754	38,924
	China, Shanghai	COB/DEV	--	1,200	--	--	--	1,200
	Japan, Tokyo	OBC/REHAB	--	-	-	17,131	--	17,131
	Subtotal, EA		3,170	10,251	--	53,259	107,043	173,723
	1986 Carryover Balances			1,493				
	Estimated Obligations 1986			11,744				
EUR:	Turkey, Ankara	CMP/CON	--	$ 2,025	--	$46,421	--	$48,446
	Greece, Athens	Site Acq	--		-	10,000	-	10,000
	Germany, Berlin	COB/ACQ/DEV/CON	-			56,160	-	56,160
	Germany, Bonn	SDA-420/REHAB	7,850	11,995		10,000	-	29,845
	Germany, Bonn	OBC/REHAB	6,200	5,500	-	19,486	-	31,186
	Hungary, Budapest	OBC/ACQ/DEV/CON	--	--	--	51,860	--	51,860
	Belgium, Brussels	OBC/ACQ/DEV/CON	--	--	--	53,814	--	53,814
	Geneva START	OBX/DEV/CON	--	3,130	56,170	--	--	59,300
	Turkey, Istanbul	CMP/CON	-	1,260	18,925	14,782	$11,000	45,967
	Turkey, Izmir	COB/CON	--	865	12,325	--	--	13,190
	England, London	OBC/REHAB	--	--	20,000	-	--	20,000

* Department of Defense Staff Housing
**Diplomatic Security Projects

Acquisition and Maintenance of Buildings Abroad (Regular)

FBO Program

FY 1986- FY 1987

(dollars in thousands)

			Summary					
Area	Country and Post	Project	Prior Appro/ Proceeds	1986 Approp.	1986 SY Supp	1987** Appro.	Required to Complete	Total Project
	England, London	SDA/MSG/PUR		2,100	--	1,100	--	3,200
	Cyprus, Nicosia	OBC/EMR/CON	1,040	11,100	4,580	--	--	16,720
	France, Paris	OBC/REHAB	--	--	-	9,692	--	9,692
	Czechoslovakia, Prague	OBC/ACQ/DEV/CON				71,306	--	71,306
	Bulgaria, Sofia	OBC/ACQ/DEV/CON	-			38,024	--	38,024
	Austria, Vienna	OBC/ACQ/DEV/CON	--	--	--	89,253	--	89,253
	Subtotal, EUR		15,090	37,975	112,000	471,898	11,000	647,963
	1986 Carryover Balances			78,705				
	Estimated Obligations 1986			116,680				
NEA:	United Arab Emirates, Abu Dhabi	OBC/DEV/CON	--	--	--	29,052		29,052
	Egypt, Alexandria	COB/CON	..	..	..	24,752		24,752
	Algeria, Algiers	CMP/CON	--	1,615	--		37,706	39,321
	Jordan, Amman	OBC/ACQ/CON	19,853	-	24,901	-	--	44,754
	Iraq, Baghdad	CMP/ACQ/DEV/CON		14,700				14,700
	Egypt, Cairo	OBX/CON	--	--	--	54,608		54,608
	Bangladesh, Dhaka	OBC/CON	12,787	--	5,651	--	--	18,438
	Qatar, Doha	OBC/ACQ/CON	10,530	--	6,358	-	--	16,888
	Jerusalem	COB/CON	--	--	--	41,083		41,083
	Kuwait	OBC/CON	30,140	--	6,002		--	36,142
	Bahrain, Manama	OBC/CON	12,571	--	2,212		--	14,783
	Oman, Muscat	OBC/CON	30,814		681		--	31,495
	Morocco, Rabat	OBC/EMR/ACQ/DEV/CON	--	--	--	34,833		34,833
	Yemen, Sanaa	OBC/CON	22,161	--	8,556	-	--	30,717
	Israel, Tel Aviv	OBC/CON	-	--	-	83,423		83,423
	Israel, Tel Aviv*	SAR-3/PUR	--	--	--	1,050		1,050
	Tunisia, Tunis	CMP/CON	-	3,130	$30,200	-	--	33,330
	Subtotal, NEA		138,856	19,445	84,561	268,801	37,706	549,369
	Subtotal FBO Capital Projects		191,446	141,988	390,762	1,084,498	179,068	1,987,762
	1986 Carryover Balances			81,246				
	Estimated Obligations 1986			223,234				
	Moscow Complex		20,068	-	25,000	--		45,068
	Project Support		-	-	3,830	--		3,830
	Administrative Costs				939			939
Other Agencies								
	USAID		--	--	14,807	26,161	43,204	84,172
	USIA		--	--	15,444	30,648	51,356	97,448
	Department of Commerce		--	--	3,750	4,000	3,000	10,750
	Subtotal		--	--	34,001	60,809	97,560	192,370
CAPITAL PROGRAM			211,514	141,988	454,532	1,145,307	276,628	2,229,969
	1986 Carryover Balances			295,335				
	Estimated Obligations 1986			437,323				
OTHER PROGRAM COSTS								
Leasehold Payments				78,913	-	93,204	--	
	1986 Carryover Balances			7,232				
	Estimated Obligations 1986			85,972				
Functional Programs:								
	PAC Upgrade Program			22,210		12,656	-	
	1986 Carryover Balances			210				
	Estimated Obligations 1986			22,420				

Acquisition and Maintenance of Buildings Abroad (Regular)

FBO Program
FY 1986 - FY 1987
(dollars in thousands)

Area Country and Post	Summary					
	Prior Appro/ Proceeds	1986 Approp.	1986 SY Supp	1987** Appro.	Required to Complete	Total Project
Fire/Safety Retrofit		6,900	-	3,550	--	--
1986 Carryover Balances		891				
Estimated Obligations 1986		7,791				
Energy Retrofit		2,000	--	1,000	--	--
1986 Carryover Balances		269				
Estimated Obligations 1986		2,269				
Generators		2,588	--	3,670	--	--
1986 Carryover Balances		87				
Estimated Obligations 1986		2,675				
Seismic Retrofit		250	--	85	--	--
Communication Center Renovations		4,585		5,820		-
1986 Carryover Balances		1,147				
Estimated Obligations 1986		5,732				
Communication Center Security Enhancement		9,118	--	--	--	--
Subtotal, Functional Programs		47,651	-	26,781	--	--
1986 Carryover Balances		2,604				
Estimated Obligations 1986		50,255				
Related Activities:						
Project Supervision		6,311	--	16,215	--	-
1986 Carryover Balances		58				
Estimated Obligations 1986		6,369				
Minor Improvements		9,147	--	9.531	--	--
Maintenance of Buildings		42,827	--	43,939	--	--
1986 Carryover Balances		-1,039				
Estimated Obligations 1986		41,788				
Furniture, Furnishings, and Equipment		11,254	--	15,466	--	--
1986 Carryover Balances		11,278				
Estimated Obligations 1986		22,532				
Real Estate Management System		1,535	--	1,599	--	--
1986 Carryover Balances		88				
Estimated Obligations 1986		1,623				
Subtotal, Related Activities		71,074	-	86,750	-	
1986 Carryover Balances		10,385				
Estimated Obligations 1986		81,459				
Administration		6,874	-	14,278	--	
1986 Carryover Balances		250				
Estimated Obligations 1986		7,124				
Total Program		346,500	454,532	1,366,320		
1986 Carryover Balances		315,633				
Total Obligations 1986		662,133				
Anticipated Proceeds of Sale		-9,500		4,200		
Appropriation Total		337,000	454,532	1,362,120		
FY 1986 Security Supplemental		454,532				
Revised 1986		791,532				
1986 Sequester		14,814				
TOTAL, Revised		776,718				

Acquisition and Maintenance of Buildings Abroad (Regular)

FBO Capital Program Summary
FY 1987
(dollars in thousands)

				Summary			
Area	Country and Post	Project	Page No.	Prior Appro/ Proceeds	1987** Approp.	Required to Complete	Total Project
Acquisition, Development & Construction:							
AF:	Ivory Coast, Abidjan	OBC/CON	10	$ 1,560	$37,509	--	$ 39,069
	Ivory Coast, Abidjan*	SAR 3/SDA-3/PUR	12	--	885	--	885
	Senegal, Dakar*	SDA-2/PUR	14	--	190	--	190
	Uganda, Kampala	OBC/ACQ/DEV/CON	16	--	28,912	--	28,912
	South Africa, Pretoria	OBC/ACQ/CON	18	837	33,298	--	34,135
	Cameroon, Yaounde	OBC/ACQ/DEV/CON	20	--	29,355	--	29,355
	Cameroon, Yaounde*	SAR/SDA/PUR	22	--	600	--	600
	Subtotal, AF			2,397	130,749	--	133,146
ARA:	Belize, Belmopan	CMP/DEV/CON	24	430	33,062	--	33,492
	Columbia, Bogota	OBC/ACQ/DEV/CON	26	-	57,589	--	57,589
	Guyana, Georgetown	EMR/ACQ/DEV/CON	28	--	500	--	500
	Peru, Lima	OBC/ACQ/DEV/CON	30		68,640		68,640
	Subtotal, ARA			430	159,791	--	160,221
EA:	Thailand, Bangkok*	SDA-6/PUR	32	--	900	-	900
	China, Beijing	OBC/ACQ/DEV	34	2,000	11,849	50,632	64,481
	Australia, Canberra	SAR 11/PUR	36	5,400	1,100	--	6,500
	Thailand, Chiang Mai	OBC/ACQ/DEV/CON	38	--	21,179		21,179
	Hong Kong, Hong Kong*	SDA-6/PUR	40	--	1,100	- -	1,100
	Japan, Tokyo	OBC/REHAB	42	--	17,131		17,131
	Subtotal, EA			7,400	53,259	50,632	111,291
EUR:	Turkey, Ankara	CMP/CON	44	2,025	46,421		48,446
	Greece, Athens	Site Acq	46	--	10,000	-	10,000
	Germany, Berlin	COB/ACQ/DEV/CON	48	--	56,160	--	56,160
	Germany, Bonn	SDA-420/REHAB	50	19,845	10,000	--	29,845
	Germany, Bonn	OBC/REHAB	52	--	19,486	--	19,486
	Belgium, Brussels	OBC/ACQ/DEV/CON	54	--	53,814	--	53,814
	Hungary, Budapest	OBC/ACQ/DEV/CON	56	-	51,860	--	51,860
	Turkey, Istanbul	COB/CMP/CON	58	20,185	14,782	11,000	45,967
	United Kingdom, London	SDA/PUR	60	--	1,100	--	1,100
	France, Paris	OBC/REHAB	62		9,692	--	9,692
	Czechoslovakia, Prague	OBC/ACQ/DEV/CON	64	--	71,306	--	71,306
	Bulgaria, Sofia	OBC/ACQ/DEV/CON	66	--	38,024	--	38,024
	Austria, Vienna	OBC/ACQ/DEV/CON	68	--	89,253	--	89,253
	Subtotal, EUR			42,055	471,898	11,000	524,953
NEA:	United Arab Emirates, Abu Dhabi	OBC/DEV/CON	70	--	29,052		29,052
	Egypt, Alexandria	COB/ACQ/DEV/CON	72	--	24,752		24,752
	Egypt, Cairo	OBX/DEV/CON	74	--	54,608		54,608
	Jerusalem	COB/ACQ/DEV/CON	76	-	41,083		41,083
	Morocco, Rabat	CMP/ACQ/DEV/CON	78	-	34,833		34,833
	Israel, Tel Aviv	CMP/ACQ/DEV/CON	80		83,423		83,423
	Israel, Tel Aviv*	SAR 3/PUR	82		1,050		1,050
	Subtotal, NEA			-	268,801		268,801
	Subtotal FBO Capital Projects			52,282	1,084,498	61,632	1,198,412

* Department of Defense Staff Housing
**Diplomatic Security Projects

Acquisition and Maintenance of Buildings Abroad (Regular)

FBO Program Summary
FY 1987
(dollars in thousands)

Area Country and Post	Page No.	Summary Prior Appro/ Proceeds	1987** Approp.	Required to Complete	Total Project
Other Agencies					
USAID	84	$14,807	$26,161	$43,204	$84,172
USIA	85	15,444	30,648	51,356	97,448
Department of Commerce	88	3,750	4,000	3,000	10,750
Subtotal		34,001	60,809	97,560	192,370
TOTAL CAPITAL PROGRAM		86,283	1,145,307	159,192	1,390,782
OTHER PROGRAM COSTS					
Leasehold Payments	89	--	93,204	--	--
Functional Programs:					
PAC Upgrade Program	90	--	12,656	--	--
Fire/Safety Retrofit	91		3,550	--	--
Energy Retrofit	92		1,000	--	--
Generators	93		3,670	--	--
Seismic Retrofit	94		85	--	--
Communication Center Renovations	95		5,820	--	
Subtotal, Functional			26,781	--	--
Related Activities:					
Project Supervision	96		16,215	--	
Minor Improvements	98		9,531	--	
Maintenance of Buildings	99		43,939	--	
Furniture, Furnishings, and Equipment	100		15,466	--	
Real Estate Management System	101	5,405	1,599	--	--
Subtotal, Related Activities		5,405	86,750	--	--
Administration:					
Administrative Expenses	102		14,278		
Total Program		91,688	1,366,320	159,192	1,617,208
Anticipated Proceeds of Sale	103		4,200	--	--
Appropriation Total			1,362,120		

Acquisition and Maintenance of Buildings Abroad (Regular)

FBO GLOSSARY

ACQ	Site Acquisition
CGR	Consul General Residence
CMP	Compound
COB	Consulate Office Building
CON	Construction
CPU	Communication Processing Unit
DEV	Development of architectural design and engineering plans
DOD	Department of Defense
EMR	Embassy Residence
FBO	Office of Foreign Buildings Operations
GO	Government-owned
LTL	Long-Term Lease
MSG	Marine Security Guard
NOB	New Office Building
OBC	Office Building Chancery
OBX	Office Building Annex
PAC	Public Access Control
PCC	Post Communication Center
PUR	Purchase of buildings
REHAB	Rehabilitation of buildings
RELOC	Relocation of buildings to new site
RENOV	Renovation of existing buildings
SAR	Single Staff Residence
SDA	Staff Apartments
SOR	Senior Officer Residence
STL	Short-Term Lease

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	IVORY COAST, Abidjan	Total: $ 37,509

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	51	53	44	56	67	109
Other USG	16	22	21	22	65	44
Total USG	67	75	65	78	132	153

	Project Area	
	Gross square feet	Net Usable
Existing facilities	42,000	27,000
Proposed facility	76,000	50,000
Difference	34,000	23,000

Narrative Description:

Funds ($1,560,000) have been approved in the 1986 Capital Budget for site acquisition and development of a new chancery compound for Abidjan. Revised physical security standards have increased construction costs. The present Short-Term Leased Chancery is located on a main street in the center of town and is surrounded by high rise apartment and office buildings. Due to its original design as a duplex apartment complex, it is impossible to travel from one side of the Embassy to the other without taking a small elevator, or the stairs, to the cramped lobby level where one then crosses over to another part of the office building. Much of the interior space is wasted. The building is situated next to the sidewalk with no setback from the street thereby making perimeter defense impossible. The combination of impossible space layout, surrounding tall buildings, and no means of creating a perimeter defense, makes this property totally undesireable. Funds are now requested to construct a secure and adequate Chancery.

Acquisition and Maintenance of Buildings Abroad (Regular)

Ivory Coast Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Required
			FY 87	FY 88	FY 89	FY 90	FY 91	
Projects:								
Site Acquisition	10/85	$ 750						$ 750
Development	10/85	810						810
Construction	10/86		$30,181					30,181
Subtotal		1,560	30,181					31,741
One Time Costs:								
Supervision			500	$490	$480			1,470
SY/Commo Equipment				3,848				3,848
Furniture/Furnishings								
Initial				2,870				2,870
Recycled				-860				-860
Net Furniture Costs				2,010				2,010
TOTAL PROJECT COSTS		1,560	30,681	6,348	480			39,069
Less: FY 1986 Regular Budget Request								-1,560
TOTAL FUNDS REQUIRED								37,509

Acquisition and Maintenance of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
DOD Senior Attache Housing (3 units) DOD Staff Housing (3 units)	IVORY COAST, Abidjan	Total: $ 885

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	42	45	80	91	122	136
Other USG	15	17	40	47	55	64
Total USG	57	62	120	138	177	200

	Project Area	
	Gross square feet	Net Usable
Existing facilities	None	None
Proposed facilities	19,000	14,000
Difference	19,000	14,000

Narrative Description:

Abidjan is a high rental post. This is a favorable time to acquire property since the economy is presently depressed. It is recommended that the U.S. Government purchase three Senior Attache and three staff residences for the Defense Attache operation in Abidjan since the cost of acquisition could be amortized in about 11 years.

By letter of December 30, 1982, OMB advised both DOD and State that OMB supports the single housing manager policy and looks to State to incorporate DOD housing needs at Diplomatic Missions in State's Capital Program. OMB requested that DOD provide State with a multi-year plan for DOD housing acquisition identifying posts, priorities, types and number of houses and rental costs. The Post has provided projected acquisition and rental costs and concurs with this proposal.

Acquisition and Maintenance of Buildings Abroad (Regular)

Abidjan, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY 87	FY 88	FY 89	FY 90	FY 91	
Projects:								
Purchase	6/87		$ 885					$ 885
Development								
Construction								
Subtotal			885					885
One Time Costs:								
Supervision								
Furniture/Furnishings								
Initial								
Recycled			--					--
Net Furniture Costs								
TOTAL PROJECT COSTS			885					885
Maintenance:								
M & R								
Present Cost								--
Estimated Cost								$ 7
Net Difference								7
BOE								
Present Cost								
Estimated Cost								85
Net Difference								85
NET MAINTENANCE COST:								92
Additional Project Data								
Annual Rent:								
Comparable Properties		$ 81						
To be terminated		81						
PVA Results:								
Construct		$ 189						
Rent		1,306						

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
DOD Staff Housing (2 units)	SENEGAL, Dakar	Total: $ 190

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	26	27	37	38	63	65
Other USG	56	58	39	40	95	98
Total USG	82	85	76	78	158	163

	Project Area	
	Gross square feet	Net Usable
Existing facilities	None	None
Proposed facilities	5,000	4,000
Difference	5,000	4,000

Narrative Description:

By letter of December 30, 1982, OMB advised both DOD and State that OMB supports the single housing manager policy and looks to State to incorporate DOD housing needs at Diplomatic Missions in State's Capital Program. OMB requested that DOD provide State with a multi-year plan for DOD housing acquisition identifying posts, priorities, types and number of houses and rental costs. The Post has provided projected acquisition and rental costs and concurs with this proposal.

Dakar is a high rental post and substantial future rental increases are anticipated. It is recommended that the U.S. Government purchase two staff residences for the Defense Attache operation in Dakar since the cost of acquisition could be amortized in less than 10 years.

Acquisition and Maintenance of Buildings Abroad (Regular)

Dakar, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Purchase	6/87		$ 190					$ 190
Development								
Construction								
Subtotal			190					190
One Time Costs:								
Supervision								
Furniture/Furnishings								
Initial								
Recycled			--					--
Net Furniture Costs								
TOTAL PROJECT COSTS			190					190
Maintenance:								
M & R								
Present Cost								$--
Estimated Cost								3
Net Difference								3
BOE								
Present Cost								--
Estimated Cost								--
Net Difference								22
NET MAINTENANCE COST								25

Additional Project Data

Annual Rent:	
Comparable Properties	$ 20
To be terminated	20
PVA Results:	
Construct	$ 148
Rent	197

Acquisition and Maintenance of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs
(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	UGANDA, Kampala	Total: $28,912

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	14	14	10	10	24	24
Other USG	8	8	8	8	16	16
Total USG	22	22	18	18	40	40

	Project Area	
	Gross square feet	Net Usable
Existing facilities	17,150	11,144
Proposed facilities	20,000	13,000
Difference	2,850	1,856

Narrative Description:

The current short-term leased quarters are located in the rear of the British High Commission building. This location does not afford us the ability to institute necessary security measures given the political circumstances in the country.

In addition to security considerations, the current quarters are too small. The post uses five other office locations which result in inefficient operations. Further, the British have requested that we move as soon as possible. The building is in poor condition and it is a fire risk.

It is anticipated that a large site (perhaps 40 acres) will be obtainable to allow for the eventual development of a full compound including, along with the chancery, an Ambassador's Residence, an Marine Guard residence, a warehouse, maintenance facilities, recreation center, and some staff housing.

Acquisition and Maintenance of Buildings Abroad (Regular)

Kampala, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY 87	FY 88	FY 89	FY 90	FY 91	
Projects:								
Site Acquisition			$10,000					$10,000
Development			293					293
Construction				$10,353				10,653
Special Construction				300				300
One Time Costs:								
Supervision				1,500	1,500	$741		3,741
Furniture/Furnishings					1,150			1,150
Commo & SY					3,075			3,075
TOTAL PROJECT COSTS			10,293	12,153	5,725	741		28,912

Acquisition and Maintenance
of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs
(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	SOUTH AFRICA, Pretoria	Total: $ 33,298

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	51	51	54	54	105	105
Other USG	15	15	10	10	25	25
Total USG	66	66	64	64	130	130

	Project Area	
	Gross square feet	Net Usable
Existing facilities	60,336	39,218
Proposed facilities	65,000	44,029
Difference	4,664	4,811

Narrative Description:

The current short-term leased quarters are co-located with the South African police in a large commercial building in downtown Pretoria. By virtue of this location, the terrorist threat is increased and the chancery cannot institute the security measures necessary given the political climate in the country. The building is also rated a high fire risk.

Given the small size of the approved site (5 acres), it is not contemplated that major ancillary buildings will be built. The USG already owns the Ambassador's Residence and the MSG residence in Pretoria.

Acquisition and Maintenance of Buildings Abroad (Regular)

Pretoria, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Project Costs
			FY 86*	FY 87	FY 88	FY 89	FY 90	
Projects:								
Site Acquisition		$ 87	$2,100					$ 2,187
Development		750	--					750
Construction			--	$16,744				21,022
Special Construction				4,278				4,278
One Time Costs:								
Supervision				1,008	$1,800	$1,500		4,308
Furniture/Furnishings					1,440			1,440
Commo & SY					4,428			4,428
SUBTOTAL PROJECT COSTS		837	2,100	22,030	7,668	1,500		34,135
Less: Funding Provided To Date								-837
TOTAL FUNDS REQUIRED								33,298

* A reprogramming letter was sent to Committee Chairmen on January 21, 1986 notifying Congress of our intent to reprogram funds to exercise the option to purcase the site for the new Chancery in Pretoria.

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	CAMEROON, Yaounde	Total: $29,355

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	32	32	38	38	70	70
Other USG	13	13	8	8	21	21
Total USG	45	45	46	46	91	91

	Project Area	
	Gross square feet	Net Usable
Existing facilities	42,895	27,694
Proposed facilities	45,000	29,500
Difference	2,105	1,806

Narrative Description:

The current short-term leased chancery is in a central location and because of its design, necessary security measures cannot be implemented.

In addition, the building is too small (the post must use office annexes), it is in poor condition, and it is a high fire risk.

The eventual inclusion of ancillary buildings along with the chancery will depend upon the size and configuration of the site obtained.

Acquisition and Maintenance of Buildings Abroad (Regular)

Yaounde, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Site Acquisition			$5,000					$5,000
Development			938					938
Construction				$15,553				15,553
Special Construction				300				300
One Time Costs:								
Supervision				1,500	1,500	$798		3,798
Furniture/Furnishings					384			384
Commo & SY					3,382			3,382
TOTAL PROJECT COSTS			5,938	17,353	5,266	798		29,355

Acquisition and Maintenance of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs
(dollars in thousands)

Project	Location	Funds
DOD Senior Attache Housing (1 Unit) DOD Staff Housing (1 Unit)	CAMEROON, Yaounde	Total: $ 600

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	30	33	40	44	70	77
Other USG	41	45	38	42	79	87
Total USG	71	78	78	86	149	164

	Project Area	
	Gross square feet	Net Usable
Existing facilities	None	None
Proposed facilities	6,000	4,000
Difference	6,000	4,000

Narrative Description:

By letter of December 30, 1982, Office of Management and Budget (OMB) advised both DOD and State that OMB supports the single housing manager policy and looks to State to incorporate DOD housing needs at Diplomatic Missions in State's Capital Program. OMB requested that DOD provide State with a multi-year plan for DOD housing acquisition identifying posts, priorities, types and number of houses and rental costs. The Post has provided projected acquisition and rental costs and concurs with this proposal.

Yaounde is a high rental post. Rental rates have been escalating at about 15 percent per year during the past five years. It is recommended that the U.S. Government purchase one Senior Attache and one staff house for Defense Attache personnel.

Acquisition and Maintenance of Buildings Abroad (Regular)

Yaounde, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Purchase	6/87		$ 600					$ 600
Development								
Construction								
Subtotal			600					600
One Time Costs:								
Supervision								
Furniture/Furnishings								
Initial								
Recycled			--					--
Net Furniture Costs								
TOTAL PROJECT COSTS			600					600
Maintenance:								
M & R								
Present Cost								$--
Estimated Cost								2
Net Difference								2
BOE								
Present Cost								-0-
Estimated Cost								16
Net Difference								16
NET MAINTENANCE COST								18

Additional Project Data

Annual Rent:	
Comparable Properties	$ 48
To be terminated	41
PVA Results:	
Construct	$ 141
Rent	937

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CHANCERY COMPOUND	BELIZE, Belmopan	Total: $ 33,062

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	15	20	23	32	38	52
Other USG	12	15	29	29	41	44
Total USG	27	35	52	61	79	96

	Project Area	
	Gross square feet	Net Usable
Existing facilities	N/A	N/A
Proposed facility	N/A	N/A

Narrative Description:

Upon gaining independence in 1981, the government of Belize designated the city of Belmopan as its new capitol. Belmopan is located 55 miles inland from Belize City and was basically cut out of the jungle. The Belizean Government has already moved to Belmopan. In an effort to convince foreign governments to move to Belmopan, the Belizean Government donated land to the various nations accredited to Belize. The USG acquired ten acres for the construction of a complete compound in Belmopan, since nothing is available for rent. Therefore, Embassy Officers drive between our Chancery in Belize City and Belmopan daily. In addition, Belize government officials continue to press the United States to develop the donated site, even more so since the British have already completed the construction of their building and residences.

Funds were requested in the 1985 Budget for the design of the entire compound; however, only $430,000 was made available. Since housing is not available for rent in Belmopan, the USG intends to construct, in addition to the Chancery, the Ambassador's Residence, Deputy Chief of Mission Residence, Warehouse, Marine House, one senior officer residence, a garage, and a twelve staff town houses.

Acquisition and Maintenance of Buildings Abroad (Regular)

Belmopan, Cont'd

		Funds Provided To Date			Estimated Obligations			Total Funds
Activity	Date	(FY-1986)	FY 87	FY 88	FY 89	FY 90	FY 91	Required
Projects:								
Site Acquisition								
Development	10/84	$ 430						$ 430
Construction	1/87		$27,268					27,268
One Time Costs:								
Supervision			430	$ 430	$ 430			1,290
Special: OC/SY				3,557				3,557
Furniture/Furnishings								
Initial				1,135				1,135
Recycled				-188				-118
Net Furniture Costs				947				94
TOTAL PROJECT COSTS		430	27,698	4,934	430			33,492
Less: Funds Provided To Date								-430
Funding Requested in FY 1987								33,062

Acquisition and Maintenance of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs
(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	COLUMBIA, Bogota	Total: $57,589

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	62	62	87	87	149	149
Other USG	53	53	59	59	112	112
Total USG	115	115	146	146	261	261

	Project Area	
	Gross square feet	Net Usable
Existing facilities	63,000	42,000
Proposed facility	85,000	55,000
Differences	22,000	13,000

Narrative Description:

Bogota is one of the most high risk posts in the the world. Because of the continuing high threat levels at post all other agencies and Embassy sections located in short term leased space in the high rise across the street were moved back into the Chancery. As a consequence, the Chancery is extremely overcrowded.

Because of this problem, the Department intends to construct a 85,000 gross square foot Chancery on a secure site in the suburbs to house 115 US and 146 FSN employees of all agencies.

Acquisition and Maintenance of Buildings Abroad (Regular)

Bogota, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Site Acquisition			$6,941					$6,941
Development			2,197					2,197
Construction				$28,359				28,359
Special Construction				5,658				5,658
One Time Costs:								
Administration				3,000	2,750	$1,701		7,451
OC/SY Costs					4,428			4,428
Furniture/Furnishings Initial					2,555			2,555
TOTAL PROJECT COSTS			9,138	37,017	9,733	1,701		57,589

Acquisition and Maintenance of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs
(dollars in thousands)

Project	Location	Funds
AMBASSADOR'S RESIDENCE	GUYANA, Georgetown	Total: $ 500

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	23	23	35	35	58	58
Other USG	3	4	7	9	10	13
Total USG	26	27	42	44	68	71

	Project Area	
	Gross square feet	Net Usable
Existing Facility	19,000	10,000
Proposed Facility	10,000	7,000
Difference	-9,000	-3,000

Narrative Description:

The present Ambassador's Residence is a three-story wooden structure which is a fire/life safety hazard. It is over 100 years old, in very poor condition, badly termite infested, and in the early stages of dry rot. In addition, the new Chancery (scheduled for construction during 1986-88) will be located on the Residence grounds. The Chancery site will eliminate over two-thirds of the lawn area now utilized for representational functions, and recreational activities. Since Georgetown is a hardship post with virtually no leisure facilities, the grounds also serve as a recreational center for the American community. With construction of the new Chancery, the Residence will no longer be suitable for either official events or informal gatherings. A new Residence is needed to provide appropriate indoor and outdoor representational areas for official use, as well as modern, secure living quarters for the Ambassador's family. Funds are requested in 1987 for site acquisition, development and construction. Costs for this project have been adjusted to reflect current security requirements.

Acquisition and Maintenance of Buildings Abroad (Regular)

Georgetown, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Site Acquisition	10/86							
Development	11/86							
Construction	11/87							
Subtotal			$500					$500
One Time Costs:								
Supervision								
Furniture/Furnishings								
Initial								
Recycled								
Net Furniture Costs								
TOTAL PROJECT COSTS			500					500
Maintenance:								
M & R								
Present Cost								$ 10
Estimated Cost								12
Net Difference								2
BOE								
Present Cost								38
Estimated Cost								35
Net Difference								-3
NET MAINTENANCE COST								-1

Additional Project Data

Annual Rent:	
Comparable Properties	$50,000
To be terminated	-

PVA Results:	
Construct	$3,041,379
Rent	571,512

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	PERU, Lima	Total: $68,640

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	52	52	71	71	123	123
Other USG	56	56	46	46	102	102
Total USG	108	108	117	117	225	225

	Project Area	
	Gross square feet	Net Usable
Existing facilities	125,000	88,000
Proposed facility	120,000	80,000
Difference	- 5,000	-8,000

Narrative Description:

The present overcrowded Chancery is located in an unsecure building in congested downtown Lima with setbacks of less that ten feet. In order to install minimal security measures several sections had to be relocated to a multiple occupancy commercial office building several blocks from the Chancery.

Therefore, in order to bring everyone back to one secure location, FBO intends to construct a 120,000 gross square foot Chancery out of the central downtown area for the 225 staff members of all agencies consisting of 108 US and 117 FSN employees.

Acquisition and Maintenance of Buildings Abroad (Regular)

Lima, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Site Acquisition			$12,000					$12,000
Development			1,790					1,790
Construction				$31,100				31,100
Special Construction				8,073				8,073
One Time Costs:								
Supervision				3,000	3,000	$2,881		8,881
OC/SY Costs					3,881			3,881
Furniture/Furnishings Initial					2,915			2,915
TOTAL PROJECT COSTS			13,790	42,173	9,796	2,881		68,640

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
DOD Staff Housing (6 units)	THAILAND, Bangkok	Total $ 900

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	98	109	182	205	280	314
Other USG	541	576	470	517	1011	1093
Total USG	639	685	652	722	1291	1407

	Project Area	
	Gross square feet	Net Usable
Existing facilities	None	None
Proposed facilities	13,000	10,000
Difference	13,000	10,000

Narrative Description:

By letter of December 30, 1982, The Office of Management and Budget advised both DOD and State that OMB supports the single housing manager policy and looks to State to incorporate DOD housing needs at Diplomatic Missions in State's Capital Program. OMB requested that DOD provide State with a multi-year plan for DOD housing acquisition identifying posts, priorities, types and number of houses and rental costs. The Post has provided projected acquisition and rental costs and concurs with this proposal.

Bangkok is a high rental post. Residential security is becoming an increasingly important problem in Bangkok. For security and support purposes, the Embassy is placing most employees in apartments. Residential security improvements can be more easily accomplished and justified for U.S. Government-owned property. It is recommended that the U.S. Government purchase two staff residences in a condominium for the Defense Attache operation in Bangkok since the cost of acquisition could be amortized in about 9 years.

DOD has identified this housing requirement in Bangkok and the post has provided projected acquisition and rental costs and concurs with this proposal.

Acquisition and Maintenance of Buildings Abroad (Regular)

Bangkok, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Purchase	6/87		$ 900					$ 900
Development								
Construction								
Subtotal			900					900
One Time Costs:								
Supervision:								
Furniture/Furnishings:								
Initial								
Recycled			--					--
Net Furniture Costs								
TOTAL PROJECT COSTS			900					900
Maintenance:								
M & R								
Present Cost								$--
Estimated Cost								30
Net Difference								30
BOE								
Present Cost								0
Estimated Cost								66
Net Difference								66
NET MAINTENANCE COST								96
Additional Project Data								
Annual Rent:								
Comparable Properties		$ 102						
To be terminated		102						
PVA Results:								
Purchase		466						
Rent		$1,352						

Acquisition and Maintenance
# of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	PEOPLE'S REPUBLIC OF CHINA, Beijing	Total: $ 11,849

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	87	114	140	139	227	253
Other USG	29	100	31	81	60	181
Total USG	116	214	171	220	287	434

	Project Area	
	Gross square feet	Net Usable
Existing facilities	88,000	59,000
Proposed facilities	220,000	147,000
Difference	132,000	88,000

Narrative Description:

When diplomatic relations were established with the People's Republic of China in 1979, the USG was not permitted to purchase or lease land on which to build offices or residential housing. The Embassy subsequently leased office space on a temporary basis in 3 separate compounds in buildings completely unsuited for our purposes. The situation has been aggravated over the years by the fact that our Embassy operations have grown dramatically and rapidly as U.S./Chinese relations have developed, expanded and strengthened. The situation is serious but it will become critical if we fail to upgrade our facilities.

The Chinese government has offered a 90-year, long-term lease on a site in a new diplomatic enclave. To alleviate serious overcrowding of the present staff, allow for expansion and centralize Embassy operations into a chancery which meets American security, fire and space standards, a new chancery building, embassy residence, and Marine Security Guard residence must be constructed. The project will incorporate the latest security requirements in its design; therefore, the cost of the project has been increased to reflect these costs.

Acquisition and Maintenance of Buildings Abroad (Regular)

Beijing, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Site Acquisition	10/85	$2,000	$10,000					$12,000
Development	10/86		1,849					1,849
Construction					$41,196			41,196
Subtotal		2,000	11,849		41,196			55,045
One Time Costs:								
Supervision					270	$ 200	$ 150	620
Furniture/Furnishings								
Initial						9,280		9,280
Recycled						-464		-464
Net Furniture Costs						8,816		8,816
TOTAL PROJECT COSTS		2,000	11,849		41,466	9,016	150	64,481

Acquisition and Maintenance of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
Staff Housing (11 Staff Housing Units)	Australia, Canberra	Total: $ 1,100

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	38	38	32	32	70	70
Other USG	62	62	17	17	79	79
Total USG	100	100	49	49	149	149

	Project Area	
	Gross square feet	Net Usable
Existing facilities	None	None
Proposed facilities	12,000	9,000
Difference	12,000	9,000

Narrative Description:

Beginning in early 1984, the Australian posts undertook a complete and thorough study of all USG-owned property in Australia. A property management firm was retained to conduct the study and results were presented to the USG in November of 1984.

In summary, the study recommended that a number of properties be sold, others renovated and with the surplus of funds purchase housing to reduce the number of leased properties in Australia.

The linchpin of the entire proposal is the sale of the Consul General's Residence in Sydney, known as Craigend. This property is worth between $4.6 to $6 million (US Dols). Proceeds from the sale of this property will be used to finance the purchase of other properties and will enable the USG to increase our land holdings and therefore reducing the number of rental properties. In 1987 it is estimated that eleven staff townhouses can be purchased to replace existing leased housing.

Acquisition and Maintenance of Buildings Abroad (Regular)

Canberra, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Purchase	6/87		$1,100					$1,100
Development								
Construction								
Subtotal			1,100					1,100
One Time Costs:								
Supervision								
Furniture/Furnishings								
Initial								
Recycled			--					--
Net Furniture Costs								
TOTAL PROJECT COSTS			1,100					1,100

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDIING CONSULATE	THAILAND, Chiang Mai	Total: $21,179

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	12	14	12	12	24	26
Other USG	22	22	10	10	32	32
Total USG	34	36	22	22	56	58

	Project Area	
	Gross square feet	Net Usable
Existing facilities	23,735	18,535
Proposed facilities	29,000	22,000
Difference	5,265	3,465

Narrative Description:

The current USG offices do not meet the minimum security standards. The offices are currently housed in four commercial office buildings scattered throughout the city of Chiang Mai. These buildings front major streets and are located in a heavily congested part of the city. USG representation is Chiang Mai consists of the State Department, a large Drug Enforcement contingent as well as representatives from the Department of Agriculture, USIA, and AID.

Funds are requested to construct a Consulate Office building of 22,000 gross sq. ft. and house the 58 employees (36 Americans and 22 FSNs) in one facility. A site to accommodate our requirements has yet to be identified and acquired.

Acquisition and Maintenance of Buildings Abroad (Regular)

Chiang Mai, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Site Acquisition		--	$2,300					$2,300
Development		--	649					649
Construction				$12,275				12,575
Special Construction				300				300
One Time Costs:								
Administrative Costs				1,370	$1,370			2,740
Commo & SY Equip				1,535				1,535
Furniture & Furnishings				1,380				1,380
TOTAL PROJECT COSTS			2,949	15,480	2,750			21,179

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
DOD Senior Attache Housing (3 units)	HONG KONG, Hong Kong	Total: $ 1,100

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	61	64	126	129	187	193
Other USG	85	88	123	126	208	214
Total USG	146	152	249	255	395	407

	Project Area	
	Gross square feet	Net Usable
	(In thousands)	
Existing facilities	None	None
Proposed facilities	12	9
Difference	12	9

Narrative Description:

Hong Kong is a very high rental post and based upon past experience, an annual rental increase of about 15 percent is anticipated. It is recommended that the U.S. Government purchase three representational apartments to house the Senior Defense Attaches in Hong Kong since the cost of acquisition could be amortized in about 9 years.

By letter of December 30, 1982, OMB advised both DOD and State that OMB supports the single housing manager policy and looks to State to incorporate DOD housing needs at Diplomatic Missions in State's Capital Program. OMB requested that DOD provide State with a multi-year plan for DOD housing acquisition identifying posts, priorities, types and number of houses and rental costs. The Post has provided projected acquisition and rental costs and concurs with this proposal.

Acquisition and Maintenance of Buildings Abroad (Regular)

Hong Kong Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Purchase	6/87		$1,100					$1,100
Development								
Construction								
Subtotal			1,100					1,100
One Time Costs:								
Supervision								
Furniture/Furnishings								
Initial								
Recycled			--					--
Net Furniture Costs								
TOTAL PROJECT COSTS			1,100					1,100
Maintenance:								
M & R								
Present Cost								0
Estimated Cost								3
Net Difference								3
BOE								
Present Cost								0
Estimated Cost								13
Net Difference								13
NET MAINTENANCE COST								16
Additional Project Data								
Annual Rent:								
Comparable Properties		147						
To be terminated		147						
PVA Results:								
Purchase		498						
Rent		2,382						

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	JAPAN, Tokyo	Total: $17,131

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	N/A	N/A	N/A	N/A	N/A	N/A
Other USG						
Total USG						

	Project Area	
	Gross square feet	Net Usable
Existing facilities	N/A	N/A
Proposed facilities		
Difference		

Requested funds are needed for special upgrade of existing communications and security facilities to meet mandated requirements.

Acquisition and Maintenance of Buildings Abroad (Regular)

Tokyo, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Site Acquisition								
Development								
Construction			$17,131					$17,131
One Time Costs:								
Administrative costs								
Commo & SY Equip								
Furniture & Furnishings								
TOTAL PROJECT COSTS			17,131					17,131

Acquisition and Maintenance of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CHANCERY COMPOUND	TURKEY, Ankara	Total: $ 46,421

Post Profile:

Embassy Complement:	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	63	63	73	73	136	136
Other USG	55	55	50	50	105	105
Total USG	118	118	123	123	241	241

	Project Area	
	Gross square feet (In Thousands)	Net Usable
Existing Facility	121	110
Proposed facility	129	112
Difference	8	2

Narrative Description:

Funds have been approved for site acquisition and development in the 1986 Budget. At that time construction costs were estimated at $26,220 and construction was to have begun in 1988. Due to an accelerated building program, construction for this office building has been moved up to 1987. Because of additional security requirements the overall costs of this construction project have increased accordingly.

The Embassy Compound, which consists of the Chancery and the MSG residence, cannot be made sufficiently secure due to its proximity to the street. The Chancery is located on a 3.92 acre site and the setback of the two buildings is no more than 50 feet from the property line. The Embassy Compound is small and inadequate compared to facilities at posts of similar or even smaller size and importance elsewhere. Current times, dictated by the present worldwide unstable terrorist activity, necessitate the re-evaluation of the security aspect of our mission in Turkey. To comply with the required security measures, it is necessary to relocate the compound. Our present projection is to relocate to a 15 acre site that will house the Chancery, providing us with improved working space and manageable security conditions. Marine Guards' quarters and a maintenace/warehouse structure (to take care of the security and operational needs of our mission) will also be erected on the site. This post is on the Department's list of highest threat posts.

Acquisition and Maintenance of Buildings Abroad (Regular)

Ankara, Turkey, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Site Acquisition	10/85	$ 400	$ 2,600					$ 3,000
Development		1,625						1,625
Construction	10/86		29,252					25,252
Special Construction			8,894					8,894
One Time Costs:								
Supervision			420	$ 390	$ 380			1,190
Commo & SY Equip				4,142				4,142
Furniture/Furnishings								
Initial					3,628			3,628
Recycled					-3,285			-3,285
Net Furniture Costs					343			343
TOTAL PROJECT COSTS		2,025	45,308	390	723			48,446
Less: Funding Provided to Date								-2,025
Total Funds Required								46,421

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
COMPOUND SITE	GREECE, Athens	Total: $10,000

Post Profile:

Embassy Complement:	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	85	81	189	189	274	274
Other USG	161	161	328	328	489	489
Total USG	246	246	517	517	763	763

	Project Area	
	Gross square feet	Net Usable
Existing Facility	N/A	N/A
Proposed facility		
Difference		

Narrative Description:

The area behind the Chancery in Athens is presently used as a 1) employee parking lot, 2) Mission gas station, 3) repair/garage facility and 4) 2 butler type buildings used as warehouses for the General Services Office and (GSO) and Security (SY). This land does not belong to the USG. The area totals approximately three and one half acres and is owned by the Army Pension Fund (GOG). The owners want to sell the property, but have been hampered by legal matters as the area was given to the original AID/JUSMAAG Mission under the Marshall Plan to use during their tenure in Greece. It subsequently was taken over by the Embassy.

There has been talk of building a hotel on this property during the past three years. This, of course, would compromise the security posture of the Embassy. The Department and the Embassy concur it is desirable to seek to purchase the property to avoid a potential security problem before it arises.

Acquisition and Maintenance of Buildings Abroad (Regular)

Athens, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Site Acquisition			$10,000					$10,000
Development								
Construction								
One Time Costs:								
Supervision								
Furniture/Furnishings								
Initial								
Recycled								
Net Furniture Costs								
TOTAL PROJECT COSTS			10,000					10,000

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	GERMANY, Berlin	Total: $56,160

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	25	27	37	41	62	68
Other USG	6	8	7	8	13	16
Total USG	31	35	44	49	75	84

	Project Area	
	Gross square feet	Net Usable
Existing facilities	82,526	45,662
Proposed facilities	78,000	55,000
Difference	4,526	9,338

Narrative Description:

The present short-term leased Chancery is located in the center of E. Berlin on a heavily traveled street. The building does not meet security setbacks, and is separated from the street by only 10 feet of sidewalk. It is particularly vulnerable to technical and electronic penetration due to sharing a common wall with an uncontrolled building.

It is proposed to construct a new 78,000 sq ft Chancery meeting new security standards for the Missions 31 U.S. and 44 FSN personnel on a large suitable site in East Berlin.

Acquisition and Maintenance of Buildings Abroad (Regular)

Berlin, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Site Acquisition			$11,000					$11,000
Development			1,434					1,434
Construction				$25,669				25,669
Special Construction				5,198				5,198
One Time Costs:								
Commo & SY Equip					$3,626			3,626
Supervision				2,400	2,400	$2,466		7,266
Furniture/Furnishings					1,967			1,967
TOTAL PROJECT COSTS			12,434	33,267	7,993	2,466		56,160

Acquisition and Maintenance
of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY REHABILITATION	FEDERAL REPUBLIC OF GERMANY, Bonn	Total: $ 19,486

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	N/A	N/A	N/A	N/A	N/A	N/A
Other USG						
Total USG						

	Project Area	
	Gross square feet	Net Usable
Existing facilities	N/A	N/A
Proposed facilities		
Difference		

Narrative Description:

Requested funds are needed for special upgrade of existing communication facilities to meet new mandated security requirements.

Acquisition and Maintenance of Buildings Abroad (Regular)

Bonn, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY 86	FY 87	FY 88	FY 89	FY 90	Total Funds Required
Site Acquisition								
Development								
Construction								
One Time Costs:								
Special; OC/SY			$19,486					$19,486
Supervision								
Furniture/Furnishings								
TOTAL PROJECT COSTS			19,486					19,486

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
STAFF HOUSING, REHABILITATION	FEDERAL REPUBLIC OF GERMANY, Bonn	Total: $ 10,000

Post Profile:

Embassy Complement:	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	113	113	199	199	312	312
Other USG	174	174	88	88	262	262
Total USG	287	287	287	287	574	574

	Project Area (In Thousands)	
	Gross square feet	Net Usable
Existing Facility	1021	731
Proposed facility	1021	731
Difference	0	0

Narrative Description:

The Bonn/Plittersdorf housing complex contains almost one-sixth of the Department's worldwide-owned residential units. It is a multi-million dollar real property asset. The residential apartment units, built in 1951, have been in continuous use for 34 years with only routine maintenance being performed. These units require extensive renovation for both energy conservation and general upgradings to sustain their utility and value. This project has been planned over a number of years to allow continued occupancy of the majority of the apartments at any one time. In FY 1983, $7,850,000 was approved to install a new fuel efficient heat plant (from heavy oil to natural gas) and a new piping distribution system to all residential and ancillary buildings . For FY 1986, $11,995,000 has been approved to start actual renovation work on a portion of the apartment units which includes new plumbing and heating piping, thermal windows, kitchens, bathrooms, and painting to improve their usefulness. To continue this project in FY 1987, $10,000,000 is required for the third phase of renovation of the staff apartments. The fourth and final phase to complete the apartment renovations and all ancillary building on the complex is scheduled for 1988 for which $7,900,000 will be requested.

Acquisition and Maintenance of Buildings Abroad (Regular)

Bonn, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimate FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Site Acquisition								
Development								
Construction	02/85	$19,845	$10,000	$7,900				$37,745
Sub-total		19,845	10,000	7,900				37,745
One Time Costs:								
Supervision		158	213	235				606
Furniture/Furnishings								
Initial								
Recycled								
Net Furniture Costs								
TOTAL PROJECT COSTS		20,003	10,213	8,135				38,351

Acquisition and Maintenance of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	BELGIUM, Brussels	Total: $ 53,814

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	81	81	137	137	218	218
Other USG	129	129	49	49	178	178
Total USG	210	210	186	186	396	396

	Project Area	
	Gross square feet	Net Usable
Existing facilities	130,000	90,000
Proposed facilities	130,000	90,000
Difference	--	--

Narrative Description:

The U.S. government Diplomatic representation in Brussels is composed of three major missions of which the Embassy, through the Joint Administrative Services (JAS) furnishes most of the logistic support.

The Embassy is located on a major thoroughfare directly on the sidewalk on one side and is bordered by commercial buildings on the other sides. Consequently, the Embassy does not meet the required 100 ft setback on any of its sides. In the block down the boulevard from the Embassy is situated the JAS building which houses all the support activities of the Embassy. This building too is located on the street with none of the setback requirements.

It is contemplated to build a new Chancery building with 130,000 square feet that will allow us to house all of the Embassy operations as well as the USEC Mission Staff comprising of a total of 210 Americans and 186 Nationals (excluding NATO).

This construction will permit us to apply all the security requirements mandated as well as consolidate all the offices and personnel presently operating from the Chancery and nine other annexes dispersed throughout the city.

Acquisition and Maintenance of Buildings Abroad (Regular)

Brussels, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Site Acquisition		--	$ 7,500					$ 7,500
Development			1,737					1,737
Construction				$28,986				28,986
Special Construction				750				750
One Time Costs:								
Commo & SY Equip					$4,428			4,428
Supervision				2,300	2,300	$2,363		6,963
Furniture/Furnishings					3,450			3,450
TOTAL PROJECT COSTS		--	9,237	32,036	10,178	2,363		53,814

Acquisition and Maintenance of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	HUNGARY, Budapest	Total: $51,860

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	25	25	45	45	70	70
Other USG	22	22	10	10	32	32
Total USG	47	47	55	55	102	105

	Project Area	
	Gross square feet	Net Usable
Existing facilities	68,337	36,406
Proposed facilities	68,337	36,406
Difference	--	--

Narrative Description:

The U.S. Government-owned Chancery is physically located directly on the street, does not meet the 100 foot setback requirement, and is not free-standing, i.e., has common walls with other buildings. The Chancery building has had several technical penetration attempts made against it.

It is proposed to construct a new Chancery building of 68,337 sq. ft. which will allow us to house the 47 U.S. and 55 FSN direct hire personnel assigned to Budapest. A new Chancery will allow us to consolidate all offices and personal, presently operating from the chancery and three other separately located annex.

Acquisition and Maintenance of Buildings Abroad (Regular)

Budapest, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects: Office Building Chancery								
Site Acquisition			$10,000					$10,000
Development			1,438					1,438
Construction				$23,790				23,790
Special Construction				4,508				28,298
One Time Costs:								
Commo & SY Equip					$3,626			3,626
Supervision				2,237	2,237	$2,236		6,710
Furniture/Furnishings					1,788			1,788
TOTAL PROJECT COSTS			13,675	30,535	7,651	2,236		51,860

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CONGEN COMPOUND	TURKEY, Istanbul	Total: $ 14,782

Post Profile:

Embassy Complement:	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	38	38	34	34	72	72
Other USG	27	27	20	20	47	47
Total USG	65	65	54	54	119	119

	Project Area	
	Gross square feet	Net Usable
	(In Thousands)	
Existing Facility	42	38
Proposed facility	86	65
Difference	44	27

Narrative Description:

Funds have been approved for site acquisition and development in the 1986 Budget. At that time construction costs were estimated at $12,070 and construction was to have begun in 1988. Due to an accelerated building program, construction for this office building has been moved up to 1987. As a result of additional security requirements the overall costs of this construction project have increased somewhat. Please note that this is a continuation of an already approved and funded Capital Project.

The present Consulate General site which was purchased in 1907 is less than one-half acre. The Consulate General consists of two buildings - the main consulate and an annex. The site cannot be secured properly as it is in a densely developed urban area surrounded by buildings.. Although the Consulate General building (CONGEN) is protected by a perimeter walled fence, it is vulnerable from the surrounding buildings. The consulate building is only about fifty feet from the fence. The property fronts on a main thoroughfare and the annex is on the property line with one entrance directly on the sidewalk. To comply with the security standards established, it is necessary to relocate the compound and the overall construction costs have been adjusted accordingly. We propose to acquire an 8 acre site to house the CONGEN and the US Marine guards. In its present location, the CONGEN cannot be adequately secured and is susceptible to terrorism and forced entry. This post is on the Department's list of highest threat posts.

Acquisition and Maintenance of Buildings Abroad (Regular)

Istanbul, Turkey, Cont'd.

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY 86	FY 87	FY 88	FY 89	FY 90	
Projects:								
Site Acquisition	10/85	$ 350	$12,650					$13,000
Development	10/85	910						910
Construction			6,275	$14,392	$5,868			26,535
Sub-total		1,260	18,925	14,392	5,868			40,445
One Time Costs:								
Supervision				390	380	$370		1,140
SY/Commo Equipment					4,142			4,142
Furniture/Furnishings								
Initial					1,340			1,340
Recycled					-1,100			-1,100
Net Furniture Costs					240			240
TOTAL PROJECT COSTS		1,260	18,925	14,782	10,630	370		45,967
Less: Funds Provided To Date								-20,185
Outyear Funding Requirements								-11,000
TOTAL FUNDS REQUIRED FY 1987								14,782

Acquisition and Maintenance
of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
Staff Housing	UNITED KINGDOM, London	Total: $ 1,100

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	140	140	216	216	356	356
Other USG	144	144	148	148	292	292
Total USG	284	284	364	364	648	648

	Project Area	
	Gross square feet	Net Usable
Existing facilities	None	None
Proposed facilities	12,000	9,000
Difference	12,000	9,000

Narrative Description:

There are six properties that have been identified as no longer suitable for our needs. These properties are too large, inconvenient location, too costly to maintain, or are badly in need of extensive renovation. These properties are located in prestigious neighborhoods and have an excellant market value. These properties are beign sold to finance more suitable housing, as well as a Marine Guard Residence capable of housing a twenty man detachment.

Acquisition and Maintenance of Buildings Abroad (Regular)

London, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Purchase			$1,100					$1,100
Development								
Construction								
Subtotal			1,100					1,100
One Time Costs:								
Supervision								
Furniture/Furnishings								
Initial								
Recycled								
Net Furniture Costs								
TOTAL PROJECT COSTS			1,100					1,100

Acquisition and Maintenance
of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	FRANCE, Paris	Total: $9,692

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	N/A	N/A	N/A	N/A	N/A	N/A
Other USG						
Total USG						

	Project Area	
	Gross square feet	Net Usable
Existing facilities	N/A	N/A
Proposed facilities		
Difference		

Narrative Description:

Requested funds are needed for special upgrade of existing communication and security facilities to meet mandated requirements.

Acquisition and Maintenance of Buildings Abroad (Regular)

Paris, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimate					Total Funds Required
			FY 87	FY 88	FY 89	FY 90	FY 91	
Site Acquisition								
Development								
Construction								
One Time Costs:								
Special; OC/SY			$8,438					$8,438
Supervision			1,254					1,254
Furniture/Furnishings								
TOTAL PROJECT COSTS			9,692					9,692

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	CZECHOSLOVAKIA, Prague	Total: $71,306

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	24	24	32	32	56	56
Other USG	9	9	10	10	19	19
Total USG	33	33	42	42	75	75

	Project Area	
	Gross square feet	Net Usable
Existing facilities	85,000	71,000
Proposed facilities	85,000	71,000
Difference	--	--

Narrative Description:

The government owned Chancery is a four story former palace having both a historic and architectural importance. The complex consists of a series of old buildings some of which are over 300 years old. The complex contains, in addition to the Embassy, the consulate offices, Marine Guards REsidence, 12 apartments and a school. The building/complex does not have the 100 ft setback and does not meet any of the mandated security requirements. Because of the historic nature of the buildings the city will not permit exterior changes or new construction on the premises.

It is proposed to construct a new and secure Chancery of 85,000 square feet for the Mission's 33 Americans and 42 Nationals on a site sufficient in size to meet current security standards for setback and other requirements.

Due to present buildings ages and configuration (originally the chancery was four separate structures) none can be upgraded to meet security requirements and as a matter of fact, are unsuitable for office use as they were originally intended as residential buildings. In addition there are serious fire/life safety and maintenance deficiencies with the buildings.

Acquisition and Maintenance of Buildings Abroad (Regular)

Prague, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY 87	FY 88	FY 89	FY 90	FY 91	
Projects: Office Building Chancery								
Site Acquisition			$16,000					$16,000
Development			1,424					1,424
Construction				$33,194				33,194
Special Construction				3,728				3,728
One Time Costs:								
Commo & SY Equip					$5,658			5,658
Supervision				3,026	3,100	$3,100		9,226
Furniture/Furnishings					2,076			2,076
TOTAL PROJECT COSTS			17,424	39,948	10,734	3,100		71,306

Acquisition and Maintenance
of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	BULGARIA, Sofia	Total: $38,024

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	18	18	20	20	38	38
Other USG	10	10	5	5	15	15
Total USG	28	28	25	25	53	53

	Project Area	
	Gross square feet	Net Usable
Existing facilities	24,550	22,319
Proposed facilities	26,500	21,200
Difference		

Narrative Description:

The present short-term leased building does not have proper security setbacks, and has common walls with Bulgarian government owned buildings.

We propose to construct a 26,500 square foot chancery for the Mission's 53 employees (28 Americans and 25 FSNs) which will meet all security specifications.

As Sofia is located in an active earthquake area, we will construct the building to modern seismic standards. The present building is an old structure in the center of town with numerous maintenance problems.

Acquisition and Maintenance of Buildings Abroad (Regular)

Sofia, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY 87	FY 88	FY 89	FY 90	FY 91	
Projects: Office Building Chancery								
Site Acquisition			$6,500					$6,500
Development			911					911
Construction				18,370				18,370
Special Construction				1,621				1,621
One Time Costs:								
Commo & SY Equip					3,626			3,626
Supervision				1,640	1,640	1,640		4,920
Furniture/Furnishings					2,076			2,076
TOTAL PROJECT COSTS			7,411	21,631	7,322	1,640		38,024

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	AUSTRIA, Vienna	Total: $89,253

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	60	60	116	116	176	176
Other USG	98	98	92	92	190	190
Total USG	158	158	208	208	366	366

	Project Area	
	Gross square feet	Net Usable
Existing facilities	60,717	48,695
Proposed facilities	239,435	155,633
Difference	178,718	106,938

Narrative Description:

The Chancery is physically located close to the street, and does not meet the 100 foot security setback requirement. The two anexes located at each end of the Chancery compound are not free-standing, i.e., they have common walls with other buildings.

It is proposed to construct a new Chancery building with 239,435 sq ft which will allow us to house the 366 personnel assigned to Vienna, including the 20 UNVIE AND 28 MBFR and 73 USIS personnel, (158 U.S. & 208 FSN personnel).

Because of the international conference activities of UNVIE, and the sensitive strategic meetings of MBFR, however, special conference facilities for the new Chancery building must be considered, which significantly impact on the square footage required.

Acquisition and Maintenance of Buildings Abroad (Regular)

Vienna, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY 87	FY 88	FY 89	FY 90	FY 91	
Projects: Office Building Chancery								
Site Acquisition			$25,000					$25,000
Development			1,651					1,651
Construction				$29,029				39,588
Special Construction				10,559				10,559
One Time Costs:								
Commo & SY Equip					$4,566			4,566
Supervision				3,849	3,849	$3,850		11,548
Furniture/Furnishings					6,900			6,900
TOTAL PROJECT COSTS			26,651	43,437	15,315	3,850		89,253

1987
Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	U.A.E., Abu Dhabi	Total: $ 29,052

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	15	15	20	22	35	37
Other USG	7	7	14	15	21	22
Total USG	22	22	34	37	56	59

	Project Area	
	Gross square feet	Net Usable
Existing facilities	16,000	14,000
Proposed facilities	30,000	25,000
Difference	14,000	11,000

Narrative Description:

The present chancery is located in a long-term leased compound containing four residential villas. Although security renovations upgraded the perimeter walls, the security of the compound is still substantially below security setback standards from adjacent public streets. The U.S. Government has long-term leased a plot of land in the Abu Dhabi Diplomatic Enclave through year 2079. This plot does not provide adequate area to meet present day security setback distances. FBO proposes to notify the U.A.E. Government of the requirement to exchange our present plot within the Diplomatic Enclave for two adjacent plots of adequate total area to facilitate construction of a new chancery compound. The U.A.E. Government offers land in the Diplomatic Enclave for rental only at a nominal rate of U.S. Dollars 1,600.00 per annum.

Acquisition and Maintenance of Buildings Abroad (Regular)

Abu Dhabi, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Site Acquisition								
Development			$1,500					1,500
Construction				$26,363				26,363
One Time Costs:								
Supervision				220	$200	$35		455
Furniture/Furnishings								
Initial					755			755
Recycled					-21			-21
Net Furniture Costs					734			734
TOTAL PROJECT COSTS			1,500	26,583	934	35		29,052

Acquisition and Maintenance of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CONSULATE OFFICE BUILDING	EGYPT, Alexandria	Total: $24,752

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	7	8	10	10	17	18
Other USG	8	8	10	10	18	18
Total USG	15	16	20	20	35	36

	Project Area	
	Gross square feet	Net Usable
Existing facilities	28,000	24,000
Proposed facilities	25,000	17,000
Difference	-3,000	-7,000

Narrative Description:

The U.S. Government owns the Consulate Office Building, Consul General Residence and the USIA Library Building. The Consulate General Compound occupies one square block of property with the main office building fronting a busy commercial street. The Consulate does not meet current security standards primarily due to the lack of adequate setback from public streets. Space allocation within the Consulate Office Building is approaching maximum capacity to meet projected operational requirements.

To accommodate 16 American and 20 Foreign Service Nationals and to meet security and structural design objectives, it is necessary to acquire a new site and construct a new Consulate Office Building of 25,000 square feet.

Acquisition and Maintenance of Buildings Abroad (Regular)

Alexandria, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY 87	FY 88	FY 89	FY 90	FY 91	
Projects:								
Site Acquisition			$ 6,000					$6,000
Development			672					672
Construction				$11,892				12,192
Special Construction				300				300
One Time Costs:								
Administrative costs				1,282	$1,282	$639		3,203
Commo & SY Equip				1,535				1,535
Furniture & Furnishings			___	___	1,150	—		1,150
TOTAL PROJECT COSTS			6,672	14,624	2,817	639		24,752

Acquisition and Maintenance
of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
NEW OFFICE BUILDING	EGYPT, Cairo	Total: $54,608

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	82	82	182	182	264	264
Other USG	280	280	520	520	700	700
Total USG	362	362	702	702	964	964

	Project Area	
	Gross square feet	Net Usable
Existing facilities	106,000	56,000
Proposed facilities	220,000	142,500
Difference	114,000	86,500

Narrative Description:

Prior to restart of construction, an alternative building program was developed to incorporate up-to-date perimeter and structural security requirements. The intractable security problems of the various street-front buildings on the Chancery compound and the lack of setbacks from major city streets have led to a decision to raze the Zahra and Consular Annex facilities. This will require construction of an additional office building on the compound of 220,000 gross square feet to accommodate those staffs removed from the razed buildings.

Essential elements of the revised building program for Cairo include:
-- Design and construct a second office building to current perrimeter and structural requirements;
-- Razing of the Zahra Annex, the Consular Annex C buildings, and the present Marine Guard residence which eliminates buildings on the compound that do not meet required 100 ft setback criteria.

The construction program outlined above will result in a Cairo Chancery Compound which will meet Department security and structural design objectives.

Acquisition and Maintenance of Buildings Abroad (Regular)

Cairo, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Site Acquisition								
Development			$1,620					1,620
Construction				32,884				32,884
Special Construction				9,652				9,652
One Time Costs:								
Supervision				364	364	364		1,092
Commo & SY Equip					5,250			5,250
Furniture & Furnishings					4,110			4,110
TOTAL PROJECT COSTS			1,620	42,900	9,724	364		54,608

Acquisition and Maintenance
of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
CONSULATE OFFICE BUILDING	Jerusalem	Total: $41,083

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	19	19	40	40	59	59
Other USG	8	7	4	5	12	12
Total USG	27	26	44	45	71	71

	Project Area	
	Gross square feet	Net Usable
Existing facilities	20,000	13,000
Proposed facilities	33,000	22,000
Difference	13,000	9,000

Narrative Description:

The Consulate General is distributed among two compounds, West Jerusalem and East Jerusalem. None of the Consulate buildings meets current security standards, primarily due to the total lack of setback from perimeter streets.

To consolidate all Government offices into one compound for 26 Americans and 45 Foreign Service Nationals to meet security and structural design objectives, it will be necessary to acquire a new site of 5 acres and construction of a 33,000 square foot building.

Acquisition and Maintenance of Buildings Abroad (Regular)

Jerusalem, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Site Acquisition		--	$10,000					$10,000
Development		--	920					920
Construction		--		$17,839				19,943
Special Construction				2,104				2,104
One Time Costs:								
Supervision				2,125	$2,130	$1,061		5,316
Commo & SY Equip					3,849			3,849
Furniture & Furnishings					1,055			1,055
TOTAL PROJECT COSTS		--	10,920	22,068	7,034	1,061		41,083

Acquisition and Maintenance of Buildings Abroad (Regular)

1987
Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
OFFICE BUILDING CHANCERY	MOROCCO, Rabat	Total: $ 34,833

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	46	51	100	110	146	161
Other USG	63	70	60	66	123	133
Total USG	109	121	160	176	269	294

	Project Area	
	Gross square feet	Net Usable
Existing facilities	45,000	30,000
Proposed facilities	60,000	39,000
Difference	15,000	9,000

Narrative Description:

The Department believes that the present Embassy Residence (EMR) is very vulnerable because of the lack of setback. The EMR is a picturesque structure, constructed in the 30's and modified in the mid 60's but woefully inadequate in this present era of security driven construction projects. The concern for security is also shared by the King of Morocco who has authorized the USG to purchase, at reduced cost, an 8.25 acre site in a prime residential area. Since the site area is well known, we expect to acquire the site and begin development concurrently. In addition to constructing a new EMR on this site, we plan to build a Chancery consisting of 60,000 gross square feet. The present Chancery is a 45,670 gross square feet structure constructed in 1961. It occupies 3.71 acres in downtown Rabat. There is no possibility of retrofitting the structure to meet current security standards or to comply with the minimum 100 foot setback requirement. Given the projected growth in staffing of the American mission in Rabat, the increased space will be needed. Most of these revised security standards are based on studies completed following recent terrorist incidents directed against our facilities in the Middle East.

Acquisition and Maintenance of Buildings Abroad (Regular)

Rabat, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Site Acquisition			$ 400	$	$			$ 400
Development			1,340					1,340
Construction				$26,033				26,033
Special Construction				3,933				3,933
One Time Costs:								
Supervision				339	$384			723
Furniture/Furnishings								
Initial					2,460			2,460
Recycled					-56			-56
Net Furniture Costs					2,404			2,404
TOTAL PROJECT COSTS			1,740	30,305	2,788			34,833

Acquisition and Maintenance of Buildings Abroad (Regular)

1986 Security Supplemental Estimates
Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
NEW CHANCERY COMPOUND	ISRAEL, Tel Aviv	Total: $83,423

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	85	89	120	126	205	215
Other USG	25	28	52	56	77	84
Total USG	110	117	172	182	282	299

	Project Area	
	Gross square feet	Net Usable
Existing facilities	81,000	58,000
Proposed facilities	120,000	78,000
Difference	41,000	20,000

Narrative Description:

Space allocation within the Tel Aviv Chancery building has reached maximum capacity. The present Chancery is located in the center of the congested commercial district of the city with non existent security set-back clearances from the surrounding streets. The building, as presently situated, is extremely vulnerable to terrorist or mob violence.

The Chancery does not have adequate space to meet the requirements of all the USG agencies now represented in Israel. As the level of U.S. assistance provided to the Government of Israel continues to expand, additional space will be required to meet present day and projected program committments.

To adequately consolidate all U.S. Government offices into one Chancery compound to meet space program demands and security and structural design objectives, it will be necessary to acquire an alternate site in Tel Aviv of 10-acres for construction of a 120,000 square foot office building compound. FBO will develop the new site utilizing a master plan concept for construction of a secure office building complex in Tel Aviv.

Acquisition and Maintenance of Buildings Abroad (Regular)

Tel Aviv, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	Estimated Obligations					Total Funds Required
			FY 87	FY 88	FY 89	FY 90	FY 91	
Projects:								
Site Acquisition	10/86		$15,218	$	$	$		$15,218
Development			1,753					1,753
Construction				37,895				45,968
Special Construction			8,073					8,073
One Time Costs:								
Administrative costs				5,030	5,200	2,347		12,577
Commo & SY Equip					4,272			4,272
Furniture & Furnishings					3,635			3,635
TOTAL PROJECT COSTS		--	16,971	50,998	13,107	2,347		83,423

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

Capital Project Summary/Outyear Costs

(dollars in thousands)

Project	Location	Funds
DOD Asst. Attache Housing (3 units)	ISRAEL, Tel Aviv	Total: $1,050

Post Profile:

Embassy Complement:

	Americans		Foreign Nationals		Total	
	Present	Projected	Present	Projected	Present	Projected
State	55	58	96	101	151	159
Other USG	61	64	76	80	137	144
Total USG	116	122	172	181	288	303

	Project Area	
	Gross square feet	Net Usable
Existing facilities	None	None
Proposed facilities	8,000	6,000
Difference	8,000	6,000

Narrative Description:

Tel Aviv is a high rental post. With the exception of the three Assistant Attaches, all Defense Attache personnel in Tel Aviv are housed in U.S. Government-owned property. Residential security, which is a significant consideration at this post, can be more easily accomplished and justified for U.S. Government-owned property. It is recommended that the U.S. Government purchase three residences to accommodate assistant Defense Attache personnel in Tel Aviv.

By letter of December 30, 1982, OMB advised both DOD and State that OMB supports the single housing manager policy and looks to State to incorporate DOD housing needs at Diplomatic Missions in State's Capital Program. OMB requested that DOD provide State with a multi-year plan for DOD housing acquisition identifying posts, priorities, types and number of houses and rental costs. The Post has provided projected acquisition and rental costs and concurs with this proposal.

Acquisition and Maintenance of Buildings Abroad (Regular)

Tel Aviv, DOD Housing, Cont'd

Activity	Date	Funds Provided To Date (FY-1986)	FY 87	FY 88	FY 89	FY 90	FY 91	Total Funds Required
Projects:								
Purchase	6/87		$1,050					$1,050
Development								
Construction								
Subtotal			1,050					1,050
One Time Costs:								
Supervision:								
Furniture/Furnishings:								
Initial								
Recycled			100%					100%
Net Furniture Costs								
TOTAL PROJECT COSTS			1,050					1,050
Maintenance:								
M & R								
Present Cost								$--
Estimated Cost								27
Net Difference								27
BOE								
Present Cost								--
Estimated Cost								9
Net Difference								9
NET MAINTENANCE COST								36
Additional Project Data								
Annual Rent:								
Comparable Properties		$ 54						
To be terminated		54						
PVA Results:								
Purchase		$ 224						
Rent		871						

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

AGENCY FOR INTERNATIONAL DEVELOPMENT

1987 Request	$26,161,000

Included in the 1986 supplemental request are the security enhancement requirements for the Agency for International Development. This Agency represents a unique problem for security personnel in that its programs, and therefore its staff and building requirements, can fluctuate dramatically over the course of a short time.

Because of AID's size and special relationships to local government activities, AID Missions can be expected to maintain separate locations. It is the mid-sized AID activities that represent the greatest security challenge. They are frequently housed in shared commercial space, inadequately prepared to cope with today's security requirements. In these instances co-location with the private sector will be unavoidable. A summary of the financial requirements for the AID security program for 1987 follows.

	FY 1987 ESTIMATE	
	Pos.	Amount ($000)
Capital Program Projects:		
New construction or relocation at 4 posts..	--	$24,286
Rehabilitation of facilities at 7 posts.	--	1,875
Total.................................	--	26,161

AID's Office of Security has identified 41 major AID installations that do not meet minimum security standards. It is estimated that the total cost of new construction, land acquisition, and security improvements for these 41 facilities would approximate $250 million. AID does not consider it appropriate to pursue a new construction program of this magnitude. AID has identified 11 of the 41 posts which are in need of immediate relocation. The four posts identified for new construction in FY 1987 are as follows:

Panama	$3,770
Nairobi	9,692
Guatemala	7,748
Rabat	3,076
Total, FY 1987	24,286

Given the threat levels involved, it is more practical to attempt to upgrade to the fullest extent possible the 25 facilities not recommended for relocation. The costs of retrofitting these 25 facilities have been estimated to range from $150,000 to $400,000 each. Using the mean cost of $275,000 we project a requirement of $1,875,000 to rehabilitate seven USAID facilities during FY 1987.

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

UNITED STATES INFORMATION AGENCY

1987 Request	$30,648,000

Included in this budget request are the security enhancement requirements for the United States Information Agency (USIA). USIA overseas facilities present unusual difficulties for security officers and staff due to the public nature of these facilities and the USIA mission to foster an open and free exchange of opinion on all issues of interest. The Agency has over 430 overseas facilities, including staff offices, libraries, cultural and bi-national centers, and Voice of America (VOA) relay stations. Even if it were possible to upgrade all USIA facilities to current minimum physical security standards, it would not always be desirable in light of the negative impact on the Agency's basic mission that could result. This request is for prudent security measures that can be implemented to lessen the likelihood of vehicle bombings, to make staff office areas more secure, and to provide perimeter and public access control features at USIA facilities.

This request covers the upgrading and relocation of existing USIA facilities to deter or eliminate the more serious existing security problems. A number of Agency facilities are situated in buildings adjacent to major thoroughfares and/or in urban environments. These offices cannot be provided acceptable protection from the critical threat of a suicide bomb attack, and must therefore be relocated to a more defensible site and structure. Where possible, the staff offices will be relocated into the compound of the new embassies planned in the Department of State building program stemming from the Reports of the Advisory Panel on Overseas Security. Program facilities, such as libraries and cultural and bi-national centers, will continue to be located separately as necessary. In those cases where it is determined that the staff must be located with these program facilities and not within the Department of State compound, then separate USIA offices will be acquired. These separate offices will primarily be in leased properties.

A summary of the financial and staffing requirements for the USIA security program for FY 1987 follows.

	FY 1987 ESTIMATE
	Amount ($000)
Capital Program Projects:	
Relocation of offices & libraries at 17 posts......................	$12,545
Relocation of libraries & cultural centers at 4 Posts.....	2,095
Security upgrades at VOA relay stations.......................	16,008
Total, United States Information Agency.	30,648

Acquisition and Maintenance of Buildings Abroad (Regular)

USIA

Relocation of offices and libraries at 17 posts, $12,545,000

In preparing this request, USIA analyzed the existing and projected security threats against all of its 430 locations. As part of the analysis, a number of factors were considered: primarily the building setback from surrounding streets; the structural condition and configuration of the building; and the degree of control over adjacent properties. Also, to give meaning to the uncertainty associated with the analysis, the following assumptions were made:

-- USIA facilities have been primary targets of terrorist/mob action in the past. As other potential targets such as Embassies and Consulates become more hardened, the vulnerability of USIA facilities is likely to increase.

-- The programming requirements of the USIA will not change. USIA facilities will continue to be located in areas conveniently accessible to the public.

-- USIA staff offices will be able to relocate to the new Chanceries proposed for construction by the Department of State. The decision to relocate will be made on a case-by-case basis, depending on the local USIS program and the location of the new Chancery site. Any changes to the FBO building schedule will affect the USIA relocation plan.

-- A vehicle bomb attack is not the most probable type of threat to USIA facilities. Far more likely are bombs and incendiary devices being placed in the comparatively accessible program facilities, such as cultural centers, bi-national centers and libraries. Protection against the critical threat of vehicle bombs will not be minimized, however, and this poses by far the greatest resource implication in terms of costs for the facility itself (higher property/lease costs in the central city area, especially when attempting to meet the 100 foot setback requirement) and for required security enhancements.

-- Although every effort will be made to meet current security standards, the 100 foot setback requirement will not be attainable at the majority of our separate overseas facilities.

-- If the security situation in any country becomes so grave as to preclude accomplishment of the USIA mission without unacceptable risk to the lives of employees, USIA will curtail or cease its operation.

-- Separate USIA facilities will continue to be located primarily in leased space.

Based on the above criteria, assumptions and security threat assessment the following 17 USIA posts (each including staff offices and library) have been identified for relocation to more secure facilities.

Acquisition and Maintenance of Buildings Abroad (Regular)

USIA

Those posts planned for relocation of offices and libraries in FY 1987 are as follows:

Lagos, Nigeria
Kano , Nigeria
Istanbul, Turkey
Guayaquil, Ecuador
Athens, Greece
Bombay, India
Ankara, Turkey
Chaing Mai, Thailand
Milan, Italy
Cebu, Philippines
Monrovia, Liberia
Niamey, Niger
Guangzhou, PRC
Seoul, Korea
Douala, Cameroon
Yaounde, Cameroon
Lusaka, Zambia

Relocation of libraries and cultural centers at 4 posts,$2,095,000

A review of the building program proposed by the Department of State in response to the Reports of the Advisory Panel on Overseas Security suggests that USIA program facilities at 17 posts will need to be relocated outside of the new proposed compounds, in which the USIA staff offices will be located. The following 4 facilities have been identified for relocation in FY 1987:

Sao Paulo, Brazil
Valletta, Malta
Copenhagen, Denmark
Geneva, Switzerland

Security upgrades at VOA Relay Stations, $16,008,000

The Voice of America is in the midst of a significant modernization and relay station construction program. As part of this upgrading, additional security will need to be provided at eight medium wave stations, six domestic short wave stations, and sixteen foreign short wave stations. All VOA stations will have been initiated by the end of 1986 with completion of all security enhancements to occur over a three or four year period. The requirement for 1987 is $16,008,000 to upgrade 10 facilities based on the following estimated average cost for upgrading each of these types of facility:

1. Medium wave station...............	$1,030,000
2. Domestic short wave station.......	350,000
3. Foreign short wave station........	2,440,000

Acquisition and Maintenance of Buildings Abroad (Regular)

1987

DEPARTMENT OF COMMERCE OVERSEAS

1987 Request	$4,000,000

Except for the National Oceanic & Atmospheric Administration facilities, the Department of Commerce buildings and offices are usually open to the people of the host country and designed to provide open and free exchange of information representative of U.S. commercial interests. As is the case with AID buildings, it is anticipated these facilities will become more attractive to terrorists once security is enhanced at other U.S. facilities. Given the threat levels involved, we feel that it would be most practical to attempt to upgrade perimeter and public access controls to include vehicle countermeasures designed to slow down and deter suicidal or remote control bombers from penetrating perimeters, such as occurred in Beirut and Kuwait.

A summary of requirements for the Department of Commerce in FY 1987 is as follows:

Security site surveys at 3 Commercial Offices/Libraries, $150,000. These surveys are required to assess the current security at Commercial Offices/Libraries not co-located with State buildings in Hong Kong, Seoul, and Moscow.

Upgrade perimeter and public access controls at 8 DOC sites, $3,850,000. These funds are for the purchase, shipment, installation and construction of perimeter upgrade equipment and systems (i.e., vehicle arrest barriers, walls, fences, lighting, guard booths, ballistic transparencies, ballistic and forced entry doors, bollards, earth berms, etc.) and public access controls at the locations listed below. These facilities are not co-located with State Department buildings. This request includes the cost of contract engineers and architects to assist in the design, development and installation of these perimeter security systems.

The following is a breakdown of the locations where physical security improvements would begin in 1987:

-- Export Development facilities: Mexico City.

-- Travel & Tourism Administration facilities: London, Sydney, Toronto, and Tokyo.

-- Commercial Offices/Libraries : Tokyo, Seoul and Singapore.

Acquisition and Maintenance of Buildings Abroad (Regular)

LEASEHOLD PAYMENTS

1985 Actual	$ 72,600,000
1986 Appropriated	78,913,000
1986 Carryover Balances	7,059,000
Total, 1986 Obligations	85,972,000
1987 Net Built-in Increases/Decreases	7,232,000
1987 Request	$ 93,204,000

The Department acquires leaseholds under the buildings program when a property fulfills a medium or long-range requirement but outright purchase is prohibited or impractical. Some leases are paid annually and others at various intervals. An net increase of $7,232,000 is anticipated to fund cost increases in multi-year lease renewals and rental payments for new overseas staff positions to be established in 1987.

New 1987 positions by Regional Bureau are as follows:

Africa -	36
Inter-American Republics	34
East Asia & Pacific	42
Europe and Canada	31
Near Eastern and South Asian	25
Total	168

The following is a summary by geographic area of lease, LQA allowance, and new position requirements for 1987:

(Dollars in Thousands)

Bureau	Leases	LQA	New Positions	Total
AF	$ 21,833	$ --	$ 747	$ 22,580
ARA	11,912	2,128	705	14,745
EAP	19,830	111	871	20,812
EUR	12,214	3,758	643	16,615
NEA	17,278	--	521	17,799
IO	653	--	--	653
TOTAL	$ 83,720	$ 5,997	$ 3,487	$ 93,204

FUNCTIONAL PROGRAMS

PUBLIC ACCESS CONTROL UPGRADE PROGRAM

1985 Actual	$ 2,500,000
1986 Appropriated	22,210,000
1986 Carryover Balances	210,000
Total, 1986 Obligations	22,420,000
1987 Net Built-in Increases/Decreases	-9,764,000
1987 Request	$12,656,000

The current program was originally funded in 1983 for the purpose of upgrading Public Access Control (PAC) for government-owned and long-term leased office buildings at all posts. The program was planned for at least four years. The project included the initial access control installation or upgrading of initial installation to meet new requirements for technical equipment and perimeter security.

The tragic bombings in Beirut and Kuwait and threats at many other posts throughout the world, have dramatically increased the requirement for Counter-Terrorism projects at our posts, and have led to intensified and expanded concentration on perimeter defense and other physical security upgrades. In addition, first-generation PAC's need replacement. Therefore, we are including posts in this category for upgrading this year. As the level of threat escalates, the requirement for defending and deterring and the cost also escalate.

The Bureau of Diplomatic Security has identified the posts with government-owned or long-term and short-term leased buildings which now or will soon require physical security improvements. This program is critical to the protection of life and property. The list below is based on current threat analysis and subject to revision as local conditions change. Also, project development timing is a key factor and as projects are ready for design and construction, they may be considered ahead of posts on this tentative list.

ARA-Hermosillo, Mexico	$ 400,000	AF-Johannesburg, South Africa	$674,000
-Mexico City, Mexico	1,774,000	-Maseru, Lesotho	296,000
EUR-Stockholm, Sweden	400,000	-Libreville, Gabon	976,000
-Helsinki, Finland	400,000	-Bamako, Mali	976,000
-Stuttgart, Germany	165,000	-Niamey, Niger	976,000
EA-Hong Kong	976,000	-Ndjamena, Chad	1,154,000
-Canberra, Australia	1,537,000	-Bangui, Central African Empire	976,000
NEA-Kathmandu, Nepal	976,000		
TOTAL			12,656,000

Acquisition and Maintenance of Buildings Abroad (Regular)

FUNCTIONAL PROGRAMS

FIRE/SAFETY RETROFIT

1985 Actual	$ 3,000,000
1986 Appropriated	6,900,000
1986 Carryover Balances	891,000
Total, 1986 Obligations	7,791,000
1987 Net Built-in Increases/Decreases	-4,241,000
1987 Request	$ 3,550,000

The Department continues to implement a comprehensive inspection program and fire risk analysis strategy for rating all government owned, long-term, and short-term leased buildings overseas. Based on this analysis, when exceptionally high fire safety features are identified, appropriate fire safety features will be upgraded to include: (1) the installation of reactive fire protection systems for automatic suppression or detection of fires; (2) the upgrading of existing structures to enhance the fire safety features of the basic building to include the development of protected emergency egress capability and fire resistant separations to contain any fire within the area of outbreak. This fire protection program will continue to provide an immediate and long-term economic return by reducing the risk of fire losses and provide protection to the Department's personnel, property, and critical operations.

The reduced level in 1987 is a result of the decision to incorporate the fire upgrade program into the new building program as the new buildings will be built to the required fire/safety standards. FBO will begin installation of special fire suppression sprinkler systems in three Eastern Block Chancery buildings during 1987 to provide each principal building with its own fire suppression capability and to minimize requirements for local host country fire departments' personnel entry into the buildings and restricted areas in the event of fire. FBO plans to continue these special installations at the rate of three per year until all principal buildings in Eastern Block

	1987 Program
Capital Upgrade, Fire Protection Systems: for Government-Owned, Long-Term Lease	$ 2,300,000
Fire Marshal/Post Inspection Program	600,000
FBO Fire Protection, Washington Operations	250,000
Education and Training	60,000
Criteria Development	20,000
Fire Investigations	20,000
Special Projects and Contingency	100,000
Maintenance and Repair of Fire Systems	200,000
TOTAL	$ 3,550,000

Acquisition and Maintenance of Buildings Abroad (Regular)

FUNCTIONAL PROGRAMS

ENERGY RETROFIT

1985 Actual	$ 1,000,000
1986 Appropriated	2,000,000
1986 Carryover Balances	269,000
Total, 1986 Obligations	2,269,000
1987 Net Built-in Increases/Decreases	-1,269,000
1987 Request	$ 1,000,000

The median age of the Department's building stock is over 30 years. The energy usage is considered excessive by present standards due to outdated construction methods and compounded by lack of proper upgrading. Energy costs in the US (for reference) have been increasing about 15% per year. Energy conservation helps to slow the increase in these operating costs.

FBO is well underway with a comprehensive energy conservation program. Our buildings have been ranked in order of energy use per square foot. The program then examines and retrofits as many buildings or parts thereof each year as funds allow.

FBO is requesting $1.0 million for energy conservation in 1987 for the following 8 projects.

Bridgetown, Barbados
Brasilia, Brazil
Hamburg, Germany
Harare, Zimbabwe
Conakry, Guinea
Guatemala
Tijuana, Mexico
Port of Spain, Trinidad & Tobago

Acquisition and Maintenance of Buildings Abroad (Regular)

FUNCTIONAL PROGRAMS

GENERATORS

1985 Actual	$ 500,000
1986 Appropriated	2,588,000
1986 Carryover Balances	87,000
Total, 1986 Obligations	2,675,000
1987 Net Built-in Increases/Decreases	995,000
1987 Request	$ 3,670,000

This program seeks to replace generators that have served their useful life (generally twenty years), provide generators to posts that do not have them and whose local power is not reliable and provide major repair and overhaul for generators that break down. In the last 10-15 years, emergency power load demand has increased considerably and in many cases far exceeds the capability of existing units. This load increase has been brought about by additional equipment and services and reduced reliability of local/commercial power supply systems. These trends have caused more frequent and increasingly long duration power outages which in turn have made it essential to have adequate and reliable standby power systems. Reliable emergency power generation capability is of vital importance to maintain operations.

The net increase of $995,000 is requested to fund additional generator requirements in areas where power reliability has deteriorated. The following is a listing of posts scheduled for generator installations:

AF -	Accra, Ghana	$225,000	EA -	Beijing, PRC	$ 45,000
	Addis Ababa, Ethiopia	180,000		Jakarta, Indonesia	65,000
	Bujumbura, Burundi	60,000		Manila, Philippines	395,000
	Kampala, Uganda	45,000		Seoul, Korea	45,000
	Khartoum, Sudan	60,000	EUR -	Belgrade, Yugoslavia	30,000
	Monrovia, Liberia	285,000		Copenhagen, Denmark	40,000
	Dakar, Senegal	70,000		Madrid, Spain	110,000
	Dar Es Salaam, Tanzania	700,000		Marseille, France	30,000
	Niamey, Niger	300,000		Rome, Italy	75,000
ARA-	Caracas, Venezuela	45,000		Tangier, Morocco	30,000
	Lima, Peru	45,000	NEA -	Alexandria, Egypt	45,000
	Montevideo, Paraguay	75,000		Baghdad, Iraq	45,000
	Panama	60,000		Calcutta, India	75,000
	Rio de Janeiro, Brazil	80,000		Dhaka, Bangladesh	75,000
	Santiago, Chile	45,000		Kathmandu, Nepal	75,000
	Tegucigalpa, Honduras	45,000		Kuwait	45,000
				New Dehli, India	75,000
				Sanaa, Yemen	50,000
				Total	$3,670,000

Acquisition and Maintenance of Buildings Abroad (Regular)

FUNCTIONAL PROGRAMS

SEISMIC RETROFIT

1985 Actual	$ 85,000
1986 Appropriated	250,000
1986 Carryover Balances	--
Total, 1986 Obligations	250,000
1987 Net Built-in Increases/Decreases	-165,000
1987 Request	$ 85,000

This program seeks to identify the earthquake risks of life and property in U.S. Government-owned buildings from future earthquakes and to design structural strengthening systems as required. The general guidelines of the Earthquake Hazards Reduction Act of 1977 (PL-124) are followed. The 1987 funding request is for conducting a structural analysis of five (5) office buildings.

The Department owns a mix of buildings which have been built over the last 100 years, according to different construction practices and using different construction materials. Many of these buildings are in zones of moderate and high seismic activity.

The Federal Government, State Government and private industry in the United States, have recently acted to decrease the earthquake hazard in existing buildings based on the latest state-of-the-art earthquake information. The Department of State, with its worldwide real estate inventory, cannot ignore the threat in this area of life safety. In the last ten years, the Chancery in Tokyo and Managua and the Ambassador's residence in Guatemala City have suffered severe earthquake damage and non-structural disruption was experienced by office buildings in Bucharest, Guatemala City, San Salvador and Thessaloniki. With the increase in the number of sites and buildings in the Department's inventory, it would not be surprising if additional buildings were severely damaged by earthquakes unless a pertinent program of risk reduction is put into effect. As an example of this program, recent structural analysis of the Embassy and Annex in Caracas, based on probable future earthquakes, concluded that structural deficiencies existed in both buildings.

FUNCTIONAL PROGRAMS

COMMUNICATIONS CENTER RENOVATIONS

1985 Actual	$2,035,000
1986 Appropriated	4,585,000
1986 Carryover Balances	1,147,000
Total, 1986 Obligations	5,732,000
1987 Net Built-in Increases/Decreases	88,000
1987 Request	$5,820,000

Post Communication Centers (PCCs) provide the location to which the Principal Officer of the post and his designated command team withdraw during a situation in which safehaven operations are necessary to ensure the continuation of communications between the post and the Department of State. Increasingly in recent years, funds have been programmed to meet urgent needs to renovate and upgrade embassy and consulate post communications centers at the expense of other projects. Increased requirements placed on communications centers worldwide, include the provision of data processing equipment, and the upgrading of virtually all support equipment within the PCC. Both the cost and the extent of the renovations for necessary support to provide the space, environmental necessities and the security required have increased. During the past year the increase of world unrest and the acts of terrorism directed against U.S. Missions and personnel overseas demonstrate the need for adequate, dependable and secure communications between the various missions abroad and the Department of State.

Funds are needed to obtain design, construction, emergency generators, electrical materials, air conditioning equipment and mechanical materials needed to complete these renovations and the necessary communication center upgrades at high risk posts. The actual communications equipment that will be installed is budgeted by the Office of Communications.

PCC reconstruction and renovation is scheduled for those posts designated by the Office of Communications as having the highest priority. At the present time, the following posts are slated for renovation in 1987.

AF -	N'Djamena, Chad	$2,005,000	NEA -	Casablanca, Morocco	405,000
	Lubumbashi, Zaire	1,193,000	ARA -	Hermosillo, Mexico	813,000
	Lusaka, Zambia	216,000			
	Maseru, Lesotho	995,000			
	Nouakchott, Mauritania	193,000		Total.............	. $5,820,000

Acquisition and Maintenance of Buildings Abroad (Regular)

RELATED ACTIVITES

PROJECT SUPERVISION

1985 Actual	$3,413,000
1986 Appropriated	6,311,000
1986 Carryover Balances	58,000
Total, 1986 Obligations	6,369,000
1987 Net Built-in Increases/Decreases	9,846,000
1987 Request	$16,215,000

An experienced project manager is assigned to each major project under construction. While this is standard procedure in the United States in order to assure compliance with contract requirements, it has more significance in foreign countries where quality controls, structural requirements, and contract standards are less stringent. Except under unusual circumstances, Americans are employed to perform this supervisory function with the help of local technicians and clerical assistants. As a result of a 1985 functional audit by the Department of State Inspector General's Office, it has been recommended that FBO establish adequate full time staff to provide systematic inspection of projects and quality assurances through use of experienced engineers and construction administrative support personnel. It was also recommended that this staff enhancement be done with less reliance on foreign consultants as has been the prior practice. FBO considers the audit recommendation to be valid and when implemented will serve to provide better internal controls in the management of construction projects. The 1987 budget reflects the cost of this enhanced project management.

The amount of $16,215,000 is required for 1987 to fund American project manager positions and contract services, local engineering and clerical assistance positions, and support costs for supervising the construction of major projects undertaken by the buildings program. This amount will cover mandatory items such as within-grade salary costs and overseas wage and price increases. Project supervision expenses by post are detailed as follows:

New Projects:

Post, Country	Funds
Belmopan, Belize	$ 100,000
New Delhi, India	300,000
Karachi, Pakistan	100,000

On going Projects:

Post, Country	Funds
Osaka-Kobe	$450,000
Cairo, Egypt	650,000
Doha, Qatar	480,000
Riyadh, Saudi Arabia	750,000
Kuwait	500,000
Baghdad, Iraq	400,000

Acquisition and Maintenance of Buildings Abroad (Regular)

Project Supervision, Cont'd.

Post, Country	Funds	Post, Country	Funds
Manama, Bahrain	$ 480,000	Lahore, Pakistan	$ 280,000
Mogadishu, Somalia	520,000	Djibouti	300,000
Manila, Philippines	250,000	Muscat, Oman	575,000
Calcutta, India	250,000	Dhaka, Bangladesh	400,000
La Paz, Bolivia	400,000	Caracas, Venezuela	450,000
Sanaa, Yemen	500,000	Georgetown, Guyana	450,000
Amman, Jordan	400,000	Singapore	550,000
Gaborone, Botswana	400,000	Ankara, Turkey	200,000
Nicosia, Cyprus	450,000	Niamey, Niger	200,000
Damascus, Syria	450,000	Hong Kong	420,000
Tegucigalpa, Honduras	375,000	Budapest, Hungary	400,000
Bonn, Germany	750,000	Washington Costs	3,035,000
Total			$16,215,000

Acquisition and Maintenance
of Buildings Abroad (Regular)

RELATED ACTIVITIES

MINOR IMPROVEMENTS

1985 Actual	$8,877,000
1986 Appropriated	9,147,000
1986 Carryover Balances	--
Total, 1986 Obligations	9,147,000
1987 Net Built-in Increases/Decreases	384,000
1987 Request	$9,531,000

Many of the Department's buildings were acquired in the immediate post-World War Two period and these older properties increasingly experience the need for minor improvements which increase operational effectiveness and efficiency and post morale. Each year, posts propose hundreds of improvements to existing buildings and facilities. These proposals are separate from routine maintenance and repair. They range from a few hundred to $250,000 and cover activities such as additions and improvements to existing residences. The increase of $384,000 over 1986 is due to anticipated price increases (4.2%).

Acquisition and Maintenance of Buildings Abroad (Regular)

RELATED ACTIVITIES

MAINTENANCE OF BUILDINGS

1985 Actual	$41,829,000
1986 Appropriated	42,827,000
1986 Carryover Balances	-1,039,000
Total, 1986 Obligations	41,788,000
1987 Net Built-in Increases/Decreases	2,151,000
1987 Request	$43,939,000

These expenses are for the maintenance and repair of Government-owned and long-term leased buildings, facilities and grounds. Expenses are classified under two categories, routine and special.

Routine - this category includes such items as painting, lubrication of mechanical equipment, replacement of worn materials (such as flooring, wall tile), and all other services necessary to maintain buildings in a presentable and good operating condition. Also included are requirements of a preventative nature to protect material or equipment. Examples are dismantling and inspecting engines and termite inspection control. All routine repairs of a minor nature to building and fixed equipment are included.

Special - This category includes major and very technical repairs of items such a facades, boilers, air conditioning equipment, elevators, water pumps, telephone equipment, roofs and paving. Emergency repairs caused by unforeseen events, such as earthquake, wind and storm, are included.

The net increase of $2,151,000 is for anticipated price increases for materials and services partially offset by $2,500,000 non-recurring technical assistance for Moscow ($1,500,000) and Special M&R for posts in West Germany ($1,000,000).

Acquisition and Maintenance of Buildings Abroad (Regular)

RELATED ACTIVITIES

FURNITURE, FURNISHINGS AND EQUIPMENT

1985 Actual	$12,252,000
1986 Appropriated	11,254,000
1986 Carryover Balances	11,278,000
Total, 1986 Obligations	22,532,000
1987 Net Built-in Increases/Decreases	-7,066,000
1987 Request	$15,466,000

These funds will furnish office buildings and residential properties which are under construction or previously acquired. The level of requirement for a given fiscal year is tailored to the number and size of capital projects entering the Department's real property inventory during that year. All residences are supplied with basic furnishings, and initial non-fixed equipment, such as refrigerators, kitchen ranges, washers and dryers. The requirements for FY-1987 funds (including commodity, packing, and shipping costs) by post and project are shown below.

Area	Property	Equipment	Shipping	Total	Recycle	Balance
ARA - La Paz	OBC	$ 1,148,000	$ 918,000	$ 2,066,000	$ -0-	$ 2,066,000
- Tegucigalpa	OBC	1,126,000	759,000	1,885,000	-167,000	1,718,000
NEA - Doha	OBC	635,000	305,000	940,000	-254,000	686,000
Kuwait	OBC	1,033,000	744,000	1,777,000	-103,000	1,674,000
Dhaka	OBC	1,033,000	744,000	1,777,000	-103,000	1,674,000
Lahore	OBC	652,000	391,000	1,043,000	-163,000	880,000
Residences		4,868,000	1,800,000	6,668,000	--	6,668,000
Art in Embassies Insurance		100,000	--	100,000	--	100,000
TOTAL		$10,595,000	$5,661,000	$16,256,000	-$790,000	$15,466,000

Acquisition and Maintenance of Buildings Abroad (Regular)

RELATED ACTIVITIES

REAL ESTATE MANAGEMENT SYSTEM

1985 Actual	$2,882,000
1986 Appropriated	1,535,000
1986 Carryover Balances	88,000
Total, 1986 Obligations	1,623,000
1987 Net Built-in Increases/Decreases	-24,000
1987 Request	$1,599,000

The goal of the REMS Project is to provide the State Department with an accurate inventory of all its real property holdings: Government-owned, short-term leased or long-term leased, and major building systems. Major strides have been made within the last couple of years. A system for a worldwide inventory is in place at the Washington level and the Post Building Inventory and Work Order System has been installed at 12 posts. The pilot site, Paris, was completed the latter part of 1984. Eleven installations -- Mexico City, Vienna, Hong Kong, Bonn, Jakarta, Brussels, London, Tokyo, Seoul, Bangkok, and Kinshasa -- will have been completed by the end of 1986. These installations represent about 36% of the Department's real property holdings worldwide. In 1987 funds are requested to continue with installation of REMS at eight additional posts, bringing the total to twenty posts.

Acquisition and Maintenance of Buildings Abroad (Regular)

ADMINISTRATION

Administrative Expenses:

1985 Actual	$5,849,000
1986 Appropriated	6,874,000
1986 Carryover Balances	250,000
Total, 1986 Obligations	7,124,000
1987 Net Built-in Increases/Decreases	7,154,000
1987 Request	$14,278,000

Administrative expenses represent the cost of providing for the Administrative staff necessary to carry out the Foreign Building programs. Increases include $766,000 to provide for with-in grade increases. There is also an increase for travel and transportation ($71,000), and a 6% inflation increase for telephone, printing and reproduction and supplies ($41,000). Additionally, $11,000 is requested to provide FBO's share of the Department's FTS telephone system. Included in this request is $6,638,000 related to administrative support costs for the Security Supplemental Capital Projects.

Acquisition and Maintenance
of Buildings Abroad (Regular)

FY 1987
Proceeds of Sale/Miscellaneous Receipts During FY 1985

(dollars in thousands)

Post	Property	Address	Amount
Real Property Sales (Exchange)			
Turkey, Ankara	ICA Office Building	99 Ataturk Blvd.	$
	ICA Office Building	101 Ataturk Blvd.	
	Office Building Annex	Kavaklidere Soakk No 1	
Subtotal: Real Property Sales			331,374

These amounts represent six months actual and six months estimation:

Rental Income Amount	Property	Space	Address	
Germany, Bonn	Various	Apart. & Off.	Various	80,740
Nigeria, Lagos	Wharehouse	Apartments	80A and 80C Tinuba Road, Palm Grove	27,378
Italy, Naples	Office Annex	Office	Piazza Della Republica	1,424
Egypt, Cairo	Various	Apart.	Various	3,700
Burundi, Bujumbura	Warehouse	Apartment	Various	2,778
Subtotal: Rental Income				116,020

Special Income	
For Lagos - Kaduna	135,570
For Paris - COCOM	228,000
Subtotal Special Income	363,570
Miscellaneous Receipts	
Overseas	124,417
TOTAL PROCEEDS	$ 935,381

FBO/REG-103

Acquisition and Maintenance of Buildings Abroad (Regular)

FY 1987
REQUIREMENTS BY OBJECT CLASS
(dollars in thousands)

Object class	1985 Actual	1986 Estimate	Current Services Adjust	Current Services	Program Changes	1987 Request	1987 Inc/Dec Ovr 1986
Personnel Comp....	$5,020	$8,949	$575	$9,524	$1,279	$10,803	$1,854
Personnel Benefits	541	954	62	1,016	209	1,225	271
Travel & Trans....	935	2,772	149	2,921	411	3,332	560
Trans. of Things..	5,347	15,850	-10,696	5,154	13,900	19,054	3,204
Rent,Com & Utility	69,671	85,972	3,745	89,717	3,487	93,204	7,232
Printing & Repro..	65	193	4	197	35	232	39
Other Services....	51,089	321,706	-217,022	104,684	292,211	396,895	75,189
Suppl & Materials.	5,676	16,825	-8,729	8,096	12,131	20,227	3,402
Equipment.........	12,252	37,880	-25,926	11,954	35,584	47,538	9,658
Lands & Structures	378,257	625,564	-460,492	165,072	608,738	773,810	148,246
TOTAL BUDGET AUTH.	528,853	1,116,665	-718,330	398,335	967,985	1,366,320	249,655
Net Proceeds of Sa	-2,000	-9,500	9,500	--	-4,200	-4,200	5,300
Net Change In Unob	-143,422	-315,633	315,633	--	--	--	315,633
TOTAL BUDGET AUTH.	383,431	791,532	-393,197	398,335	963,785	1,362,120	570,588

FBO/REG-104

BIOGRAPHICAL SKETCH OF DONALD J. BOUCHARD

Mr. **SMITH**. We have with us today the Assistant Secretary of State for Administration, Donald Bouchard. Mr. Bouchard, since this is your final appearance before the Committee, we will insert your biographical sketch at this point in the record and you may proceed with your statement.

[The biographical sketch follows:]

DONALD J. BOUCHARD, ASSISTANT SECRETARY OF STATE FOR ADMINISTRATION

Donald J. Bouchard was sworn in as Assistant Secretary of State for Administration on December 9, 1985.

Mr. Bouchard was born on June 18, 1937 in Waterville, Maine. A career Foreign Service officer, Mr. Bouchard entered on duty with the Department of State in 1962 and has held a number of management positions, both in Washington and abroad. He spent most of his early career in Africa. His last overseas assignment was as Counselor of Embassy in Madrid. Mr. Bouchard has recently served as Deputy Assistant Secretary of State for Personnel, and his last previous assignment was that of Executive Assistant to the Under Secretary of State for Management.

GENERAL STATEMENT

Mr. **BOUCHARD**. Thank you, Mr. Chairman.

If I may, I would like to read a brief statement.

Mr. **SMITH**. All right.

Mr. **BOUCHARD**. It is a pleasure indeed to have the opportunity to present to you the fiscal year 1987 budget requested for the Office of Foreign Buildings Operations (FBO).

The fiscal year 1987 request for the regular foreign buildings account is $1.362 billion. Over $1 billion of this request supports the continuation of the Security Construction program begun under the fiscal year 1986 supplemental appropriation.

$186.6 million is requested for the construction of three chanceries (Abidjan, Pretoria, and Ankara), a Consulate General (Istanbul), and one office building annex (Cairo). Site acquisition, development, and construction funds in the amount of $779.2 million are requested for new chanceries in Kampala, Yaounde, Bogota, Lima, Brussels, Sofia, Tel Aviv, Budapest, Prague, Vienna, Rabat, Abu Dhabi, and Berlin and consular office buildings in Alexandria, Jerusalem, and Chiang Mai.

A total of $56.3 million is requested for security related renovation of chanceries in Bonn, Paris, and Tokyo, and for acquisition of land to provide a security perimeter for Embassy Athens. $60.8 million is required for security upgrades of AID and Commerce facilities and for relocating USIA offices and libraries to secure quarters at 17 posts.

SECURITY CONSTRUCTION PROGRAM

The security construction program which will commence under the 1986 supplemental budget request represents the largest and most important building program in the department's history. FBO will carry out this program through a public-private partnership, making maximum use of private sector program management know-how, technical expertise, and ability to mobilize resources quickly—both in material and personnel. FBO, which will continue to be a relatively small compact organization, will concentrate on deploying its resources in the critical areas of program oversight, project control, contract administration, and construction supervision. For example, we intend to insure that there will be an FBO project manager on site for all capital projects. The project manager will be supported by private sector inspection personnel from the electrical, mechanical, and structural engineering disciplines.

In order to support a workload which has increased four-fold in security-related capital projects since 1985 we have requested funding and approval of 177 positions in the 1986 supplemental for program oversight, project supervision, contract administration, construction management, and administrative support.

In 1985 FBO undertook 13 urgent security-related building upgrades. At that time we installed a computerized project tracking system in order to estimate the cost of a project more accurately, establish a critical path for each project from inception to completion, and to control much more closely both the progress and cost of a project throughout the building design, engineering, and construction process. All of the 1985 supplemental projects, with the exception of Kuwait and Damascus which have been delayed because of site negotiations with the host countries, are proceeding on schedule.

Because of its size and importance, the security construction program has understandably been the focus of attention on FBO's operations this year. But there are other important projects and facilities improvements programs which also require funding in 1987. Funds are requested for capital programs in Guyana, Belize, West Germany, and the People's Republic of China.

In Beijing, People's Republic of China, we are proceeding with plans for land lease and development of a site.

In 1981 the Government of Belize donated the site for a new compound at Belmopan to the United States Government and has requested that we move forward with construction of our mission at the new capital. Also, funds are needed for acquisition of an Ambassador's residence in Georgetown, Guyana.

Continued funding is requested for the ongoing rehabilitation of staff housing in Bonn. Since this project is one of the department's largest and most important real estate holdings, funding is necessary to insure that the value of the property is maintained. Funds for the purchase of staff housing for DOD personnel are also requested for six posts—Yaounde, Abidjan, Dakar, Bangkok, Hong Kong, and Tel Aviv.

BUILDING IMPROVEMENT PROJECTS

In addition to the Security construction program, various building improvement projects for the upgrading of public access controls, fire and safety retrofits, communications center renovations and enhancements, and upgrades of electrical capacity in existing buildings have taken on added importance under the Department's efforts to tighten security at all posts worldwide. Nonetheless, the funding request for such projects has been reduced by nearly 50 percent from the 1986 request in recognition of the fact that new building construction has supplanted the need for such improvements at many posts.

COORDINATION OF IMPROVEMENTS AND SECURITY CONSTRUCTION

Coordinating such improvements with the security construction program will be one of FBO's top organizational priorities this year. High threat posts may need some interim improvements before they receive a new building under the Inman program, but it is obviously important to carefully manage such redundancy. FBO has established a committee representing all the offices of the Department responsible for such projects to set priorities. FBO will also coordinate the implementation of all such projects through a special unit tasked with developing integrated project plans. These projects will be monitored and controlled through a computerized program tracking system similar to one which has been used successfully on major capital projects.

REAL ESTATE MANAGEMENT SYSTEM [REMS]

As an offset to the increased costs imposed by security, it is more important than ever to look for ways to manage the Department's properties and buildings overseas more efficiently. A key component of FBO's property management operations is the Real Estate Management System (REMS), the source of FBO's worldwide data base of properties owned, leased, or managed by the department. In 1985, FBO installed an automated building inventory and maintenance management system at 12 of the Department's larger posts and are adding five more such installations in 1986, bringing the total to 17. These systems support both FBO's centralized property management and maintenance functions and are also designed to be used by managers at post to organize and carry out preventive maintenance programs and to control building costs. Funds are requested in 1987 to install REMS at six additional overseas locations.

SUMMARY

The security-related construction which would be funded under this budget and the related 1986 supplemental are vital to the interests of the United States abroad. A commitment by Congress to construct secure facilities at missions around the world as called for under this program signifies our determination to continue to do business in spite of terrorism. The department and FBO are ready to move forward on this important mission. Our implementation program will fully engage the resources of the private sector in order to construct buildings quickly and efficiently in every region of the world. FBO has developed an organizational structure dedicated to providing strong management oversight. A similar dedication of staff and resources is being made to the coordination of non-capital projects and to improving the management of the Department's properties. The budget before you represents a well planned, feasible, cost-effective response to the urgent priorities for secure missions abroad. With me here today is Richard Dertadian, Director of FBO. We welcome any questions you might have.

I also might mention, sir, that Mr. Lamb, Director of Diplomatic Security is here. When we get into security questions, I would hope to be able to call on his expertise as well.

TEL AVIV CHANCERY

Mr. **Smith.** Let's take, for example, Tel Aviv and China. What is it you are proposing in Tel Aviv?

Mr. **Bouchard.** We are proposing a new chancery, Mr. Chairman.

Mr. **Smith.** Are you going to abandon the one that is on the street there?

Mr. **Bouchard.** I would think that it is a property that has some commercial value.

Mr. **Smith.** You are going to sell it?

Mr. **Bouchard.** Yes, sir.

Mr. **Smith.** I said abandon, I mean sell it.

Mr. **Bouchard.** Yes, sir.

Mr. **Smith.** We just put quite a lot of money into that a couple of years ago, which should never have been done. It is right on the street. There is no way you can possibly protect it. It is the site that is important there.

Mr. **Bouchard.** Yes, sir. You are familiar with Tel Aviv. I believe it does sit on a very busy street several feet away from the street, and on the other side, the back side if you will, we are very close to the beach, which makes us vulnerable from that side as well to attack from anything that could come off the beach at any time.

CHINA SITE ACQUISITION

Mr. **Smith.** Let's take China. What is it you are proposing in China?

Mr. **Bouchard.** We are proposing to acquire a site there, Mr. Chairman, in preparation for a chancery. When we first went into China a number of years ago, we started to build up the staff gradually, and our relations with the Chinese are at the point where we feel it is in our interest to have an adequate site to house our people who are currently housed in some very undesirable makeshift office building, and we would like to move ahead.

Mr. **Smith.** This is not a security project then, in China, or is it? It is not the same?

Mr. **Bouchard.** As such, it was not part of the Inman Panel, but it was part of our formal 1987 package that we could move ahead with at least getting the land. Discussions with the Chinese are at a point now where we feel it would be in our interests to do so, but like a few projects, as you have recognized in this budget, are not strictly security-related, but we feel are important. And we would like to include them in our request.

DOD HOUSING

Mr. **Smith.** Then what part of it is security-related and what part of it is like China, where you just feel it is time to go ahead?

Mr. **Dertadian.** If I could answer, there is some DOD housing at several posts in here, which we budget for every year as a result of an agreement and direction from OMB that we should budget for some DOD housing over a period of five years.

Mr. **Smith.** How much of that is in here?

Mr. **Bouchard.** We have housing at six posts, sir.

Mr. **Dertadian**. There is housing at six posts.

Mr. **Bouchard**. They are mostly staff housing. I think in one post it is attache/senior officer housing. That is based on an agreement that we had, you may recall, in 1982 with DOD that we would budget for DOD housing.

Mr. **Smith**. Were they attache housing or for the Marines?

Mr. **Dertadian**. This is for attaches.

Mr. **Bouchard**. This is for attaches, not the Marine security guards. We have $4.7 million this year for housing in six locations.

Mr. **Smith**. Six.

Mr. **Bouchard**. For DOD staff in some cases and DOD attaches, senior officer housing in others.

SECURITY: PHYSICAL VERSUS TECHNICAL

Mr. **Smith**. The money you are talking about, for instance, for China, for Iron Curtain countries and Communist countries, that is not then security-related from the stand-point of physical security for our people. I mean there are other kinds of security considerations, but not physical security?

Mr. **Bouchard**. I think in general, sir, we could say that in the Soviet Union and the Eastern Bloc countries, we are obviously a lot less concerned about physical security given the control that exists in those societies than we would be about technical security.

Mr. **Smith**. Are you planning at this point to have the same kind of physical characteristics there for security that you have at other posts?

SETBACK REQUIREMENTS

Mr. **Bouchard**. Yes, sir, we would.

Mr. **Smith**. Even though the physical security problem is not as great?

Mr. **Bouchard**. Yes, sir. There is an advantage, Mr. Chairman, in terms of—technical security, I believe—Mr. Lamb can answer this better than I can, but I believe it would be an advantage [to have] for instance, a 100-foot setback, whether it be technical or physical. Setbacks are mainly designed for the physical aspect, but in fact we don't have them currently in the Eastern Bloc, and for instance, in many of our other embassies that are in all parts of the world, we have contiguous walls with unknown tenants, and we have landlords we do not control. We have no idea who is in those buildings and those rooms right next to our sensitive chanceries that have sensitive information coming out of them. So I think that—

Mr. **Smith**. So the two kinds of security overlap is what you are saying?

LACK OF SETBACKS

Mr. **Bouchard**. Yes, sir, I would think so.

Mr. **Smith**. You have some buildings in here, though, that don't have 100-foot setbacks, don't you?

Mr. **Bouchard**. There have been some cases in this budget there are one or two, such as La Paz, where we have been unable to acquire the proper setback, but we would attempt to redesign or design the buildings so that the maximum use of any setback that we have, and the design of the buildings as such, would be constructed to——

WAIVER OF SECURITY REQUIREMENTS FOR LA PAZ

Mr. **Smith**. Why can't you get a setback there?

Mr. **Dertadian**. La Paz, because of the kind of city it is, and its location, it is surrounded by high mountains—I haven't been there, but I understand this is the situation—getting land in the city—and you really can't go out of the city because of the way it is surrounded by mountains—is very difficult. We have been able to obtain a site which is a good site, but would not meet the full 100-foot setback. We have situations like this, and we have looked at every alternative in terms of meeting the setback. We then have a joint committee in State with security which looks at all the possibilities that are available. And if on security grounds we feel we can still build and substantially meet the security requirements, we can ask for a waiver. This happens very rarely. We normally, almost always, can get the setback we need, but La Paz is a special case.

100-FOOT SETBACKS

Mr. **Smith**. How many projects have you got in here that don't have a 100-foot setback?

Mr. **Dertadian**. I think La Paz, as I recall, is the only one. For the 87's, of course, for most of them we don't have sites yet.

Mr. **Smith**. But you are planning on getting 100-foot setback?

Mr. **Dertadian**. We are planning on getting 100-foot setbacks at every site.

Mr. **Smith**. Mr. Dwyer.

Mr. **Dwyer**. Thank you, Mr. Chairman.

INTERIM SECURITY IMPROVEMENTS

The Chairman mentioned Tel Aviv, the fact that we had spent some money there two or three years ago, and in your statement it states it is a high-threat post and may need some improvement before they receive any buildings under the Inman program. Can you identify similar sites, and give us some idea of what we are talking about in terms of the amount of temporary expenditures that will ultimately benefit someone else?

Mr. **Bouchard**. We will see if we can find it. For instance, going back, we have put a lot of money in Bogota several years ago, to protect against what was then a serious threat and still is today. We are asking for a new chancery in Bogota, in part to provide us with the setback that we don't have now, and probably in greater part or in equal part to bring in all the other elements of the mission, which are now in high-rise commercial buildings around town. We can get that for you, Mr. Dwyer, but in principle, if we do move ahead with the Inman '86 supplemental, we will be extremely careful not to spend money for a project that in '88 or '89 may be in for a new chancery. On the other hand, I think there are cases where we can do certain things to prevent the most flagrant terrorist activity, where we may think it is in our interests, and the interests of the people out there, to spend some money as a stop-gap measure.

Mr. **Dertadian**. In terms of your specific question, in terms of the projects either in the fiscal year 1986 supplemental or in the 1987, there will be interim perimeter improvements for the residence in Muscat and for the residence, the Marine House and the consular building in Tegucigalpa, and the interim perimeter security improvements at Lima, Bogota and Chiang Mai. We really face a difficult problem, because for the projects that are in the 1987 budget, assuming they are funded in 1987, we are talking about a good three, three and a half years, down the line, before the building is completed, at posts where there is a high security threat, and a danger, that danger exists during the interim period. Therefore, where it is justified in terms of the threat, we will put in security improvements to the current buildings.

However, we will take a very careful look to make sure it is justified, and only do it in those instances where there is a threat level that requires it for that period.

TEMPORARY STAFF REDUCTIONS

Mr. **Dwyer**. When you get into a very, very high threat situation, do you ever think about reducing the personnel for two or three years until you improve your physical plant? Is that thought of? Is that discussed?

Mr. **Bouchard**. Yes, we have. Mr. Dwyer, it is probably one of the most discussed items in certain parts of the Department on an ongoing basis, frankly, not only when there is a threat, a particular threat at any given time, but the whole question of size, presence, if you will, is under constant discussion. As you know, we make up only 29 percent of the entire U.S. installations, missions, embassies abroad, if you will, and we have more ability to control our own staffing. Although the Secretary of State does have overall responsibility for the conduct of foreign affairs. There are a lot of loose ends in terms of controlling staff.

As you know, recently in Colombia, El Salvador and in Kampala, we did remove dependents when things got to the point where it was decided it was wise and prudent to do that. They have returned in all three cases.

The question of closing down an embassy—if you take Salvador, it would not have been very prudent at the time, when we had some vested interests and a lot of activity there that we should be involved in, to remove everyone. We certainly have plans to draw down at different levels when different threats arise, and we have done that. But in terms of whether for a given amount of money, whether it would be two or three million, which is not an insignificant amount whether we should put some kind of security, physical security emphasis, or lock the doors and walk out, we probably in every case would decide to stay there, given our interests throughout the world.

There are very few countries we do business in—and this has been reviewed as well in connection with the Inman Report—where the U.S. presence is not significant.

SITUATION IN LA PAZ

Mr. **Dwyer.** I wasn't insinuating that you close down, but I was interested in your statement about, was it La Paz, where you have got people scattered all over town in various commercial buildings? Did I understand that that was in La Paz, Bolivia, that you have three or four different buildings around town?

Mr. **Bouchard.** In La Paz right now—I could be corrected—I believe AID is the only agency that is not currently in the chancery. There are a number of countries.

Mr. **Dwyer.** Going to the next one, Bogota.

Mr. **Bouchard.** I am sorry, it was Bogota.

STATE RESPONSIBILITY VIS A VIS OTHER AGENCY PERSONNEL

Mr. **Dwyer.** If only 30 percent of them are your responsibility, why not let the other people worry about the other 70 percent? Why would the Inman report be concerned about those people?

Mr. **Bouchard.** The Inman report, as you know, has recommended very strongly that the security and the well-being of our personnel overseas be the responsibility of the Secretary of State and the Department of State. The Secretary happens to agree with us very strongly, and in that respect, we have moved ahead not only on the FBO side, in terms of the construction of new facilities, but certainly on the security side that Mr. Lamb can address a lot better than I can, that the coordination of security for all U.S. Government personnel would be the responsibility of the Department.

Bob, would you care to add something to that? Bob is the eloquent Inman spokesman here.

Mr. **Lamb.** There are about 50 agencies out there, Mr. Chairman, and we really feel that if we left it to each agency to come over and have its own security program, that we would have a hodge-podge of security. Ultimately if we have an incident, it is the ambassador who is ultimately responsible and accountable, and we believe that we ought to just do our job and set standards for everyone.

Mr. **Regula.** Will you yield?

Mr. **Dwyer.** Yes, sir.

NATIONAL ACADEMY OF SCIENCES RECOMMENDATIONS

Mr. **Regula.** You just mentioned standards for everyone, and in the Inman report you say that FBO has entered into an agreement with the National Academy of Sciences "to develop design criteria for the physical security of the embassy of the future," and so on. Why would you go ahead and ask for money to do all these projects if you are going to get a design to deal with physical security of the embassy of the future, and you have entered into a contract for that purpose?

Mr. **Dertadian.** We already have the recommendations of the Academy.

Mr. **Regula**. It is finished?

Mr. **Dertadian**. Yes. And most of them have been incorporated into our security criteria and design criteria. What we did is at the same time that we were developing our criteria and our standards, we worked very closely with the National Academy as they were doing their work, because we couldn't wait until they were finished and they were very cooperative in working closely with us all along the way. So by the time the final report came out, which was a couple of months ago, we had essentially incorporated many of the recommendations that were made.

Mr. **Regula**. Thank you.

UNIFORM SECURITY STANDARDS OVERSEAS

Mr. **Dwyer**. Will this new plan of which you speak preclude what is pointed out in the jurisdictions, with all these various security officers visiting the posts and representing different interests and so on?

Mr. **Bouchard**. The National Academy recommendations. Mr. Dwyer?

Mr. **Dwyer**. No, I am talking about where you apparently are taking over the security interests of all these agencies. I was referring to page 73 in the Report of the Secretary of State's Advisory Panel on Overseas Security, which states that, ". . . a flurry of visiting security officers to posts both before, during and particularly after a threat situation. While the purposes of the visits are not questioned, they demonstrated a lack of coordination between agencies has resulted often in confusion, conflicting recommendations between agencies on appropriate security requirements, and on at least one occasion, embarrassment to two departments."

For my curiosity now, what two departments were embarrassed?

Mr. **Lamb**. I am not sure precisely which two instances are referred to there.

Mr. **Dwyer**. You mean it is more than one?

Mr. **Lamb**. It has been a chronic problem with us because we didn't have uniform standards, we didn't have agreed upon statistics. The posts were really being deluged by different security people coming out and looking at them. We don't have the problem entirely licked, but I think we have made a lot of progress.

OVERSEAS SECURITY POLICY GROUP

Mr. **Dwyer**. This new system that you speak to, will it lick this problem, so to speak?

Mr. **Lamb**. It will help it a lot. We also have an overseas security policy group that consists of the heads of security from all the different agencies represented in our embassies, and we have used that as the forum to get people to agree to standards. We have even used that to turn off some of these inspection teams that are going out.

Mr. **Dwyer**. Who would call these inspection teams to go out? Who would send them out?

Mr. **Lamb**. The problem has been that almost anybody who wants to has sent them out in the past. But I think now we have got an arrangement so that the head of this Overseas Security

Policy Group, who is Dave Fields, my senior deputy, would use this as a forum to vet these different inspection teams. We turn some of them off that way.

PRIVATE SECTOR STATE DEPARTMENT PARTNERSHIP

Mr. **DWYER**. Just one other question. You have additional employees asked for in connection with this program and yet you speak about the private sector-State Department partnership. Just what will all these people be doing, if most of this work is going to be done by the private sector?

Mr. **BOUCHARD**. The partnership, Mr. Dwyer, is on the construction side, not on the security side, if you will, and perhaps we can outline in brief how this would work. We don't have any charts. Dick, do you want to walk through this?

Mr. **DERTADIAN**. Yes.

Sir, if we tried to do this program on our own, we would need more than a thousand people. Instead of creating that kind of organization, which would be impossible to do, both in terms of numbers and in terms of skills, we have decided to use the private sector as an extension of FBO, and essentially have them—as program managers—do the principal work all the way from project inception through site selection, through building design, through construction, to the end of the project.

Our role would be one of oversight, decision making project, control, cost tracking, and acting as a resource to them, to give them the expertise we have. The way we do that is to organize ourselves into interdisciplinary teams, including security and communications people, to whom the private sector program managers would report.

However, we retain decision making authority. In order to do that, we need additional personnel. We have figured about 177, essentially to do the kind of project control, contract management, construction oversight, and interagency coordination which cannot be left to the private sector. By law I think we should do that: to oversee the program manager and his recommendations and make decisions on how to implement them. In addition, the on site project manager must be a government employee who would be augmented by private sector expertise. To fulfill all these responsibilities, we will need about 177 people in addition to what we have now, but nowhere near the number that we would need if we were to try to implement this alone.

SETBACK AVAILABILITY

Mr. **DWYER**. Do you think in every case you are going to be able to get the 100-foot setback?

Mr. **DERTAKIAN**. I think it will be very difficult in certain places. It will be very difficult in Eastern Europe, I think.

Mr. **DWYER**. What will you do if you can't get the 100-foot setback?

Mr. **BOUCHARD**. I think Bob will agree—and we have talked about this quite a bit recently. We have our standards and we will try to achieve those standards. But I think on a case-by-case basis we would have to evaluate whether in a particular country, in a particular situation, it might be appropriate, and we might not subject our personnel to great danger if we were to have to adjust the 100-foot setback, for instance. That is our goal. In some countries it could mean we have to go out several miles out of the core of the city. We would have to determine that in that particular environment it is paramount that we do so. Other cases we may decide that we could live with less.

Would you agree with that, Bob?

Mr. **Lamb**. Yes, sir. We have waived the 100-foot setback in some of the places that were on the drawing board. But in these cases we have not met with the people who are familiar with the threat in that country, and decided whether the threat was great enough or whether there were other trade-offs. Let me just give you a couple of examples.

In Naha, Okinawa, we were looking at building a facility, and we couldn't get the 100-foot setback. But we were able to place the building so that the one side where we couldn't get the 100-foot setback was up against an American military base. We felt quite comfortable with this and we got the 100-foot setback on the other three sides.

Kuwait is a place where we couldn't get the 100-foot setback. We feel the threat is so great, the risk is so great, that we just aren't going to build until we get it.

Mr. **Bouchard**. Staying where we are is a great threat.

Mr. **Dwyer**. From the frying pan into the fire.

Mr. **Bouchard**. Yes, and we will get the government, I think, to come up with the extra land.

Mr. **Dertadian**. In the overwhelming majority of places we will get the 100-foot setback, there is no question in my mind. There will be a few cases where we will have to look at it as a problem.

Mr. **Dwyer**. But you are prepared to make some physical changes where you are not going to get the 100-foot setback?

Mr. **Dertadian**. Yes.

Mr. **Bouchard**. But we are not prepared to compromise the security of our people. I think that is the bottom line.

Mr. **Dwyer**. Without the 100-foot setback can you make the building secure enough?

Mr. **Bouchard**. On a case-by-case basis we think we can, Mr. Dwyer.

Mr. **Dwyer**. Thank you, Mr. Chairman.

Mr. **Smith**. Mr. Regula.

Mr. **Regula**. Thank you, Mr. Chairman.

HOST COUNTRY RESPONSIBILITY FOR SECURITY

It has always been my understanding that basically security is the responsibility of the host country. Has that changed?

Mr. **Bouchard**. Mr. Regula, I will pass to Mr. Lamb. He can answer it better than I can.

Mr. **Lamb**. Yes, sir, ultimately it is the responsibility of the host country to furnish protection for foreign diplomats.

Mr. **Regula**. It is their responsibility?

Mr. **Lamb**. Yes, sir, it is.

Mr. **Regula**. Does that include protection of the physical buildings?

Mr. **Lamb**. Yes, sir in theory that is correct. In fact, there are places where it just can't be done. In Beirut, for example, the central government just isn't strong enough to provide adequate protection. Other places, even in our own country, we would have trouble providing protection for some foreign embassies against certain types of threats.

Mr. **Regula**. If the host country can't provide it, how can we?

Mr. **Lamb**. I think we have to help them. I think it is a combination of things, sir. We owe it to ourselves to have adequate facilities. You go to a place like San Jose, Costa Rica, where two sides of our building are on a very busy street. In a case like that there is very little that anyone can do to provide the kind of security we need. On the other hand, it is the responsibility of the host government to provide us with as much protection as they can at that site.

GUARDING AGAINST CHANGE ORDERS

Mr. **Regula**. How do you guard against what I found to be a pattern in military construction, change orders and add-ons, a technique that contractors use to in many instances make a substantial profit? What is your experience with this?

Mr. **Dertadian**. Our best guard against change orders is to have, first of all, very good design criteria.

Mr. **Regula**. True.

Mr. **Dertadian**. And we intend to have that. In fact, we are very far along with that, before this big program starts. We have had good recommendations from the National Academy of Sciences on that. Very good design criteria based on very good security performance criteria, we have had that. And also for us not to change the program once we have started, because once we start changing requirements, when you are in there, that is when you start getting overruns, and that is our strong intention.

The other thing is for us to be on schedule in terms of our responsibilities, and we intend to do that. If we can manage the program that way, I think we will help minimize change orders. There isn't a construction project in the world that doesn't have them, as we do in this country, so you are going to have them. But to the degree we can minimize them, I think we are taking the steps necessary we have to. I think we also plan to have the organizations working with us as program managers to keep them down to a minimum.

PROJECT SUPERVISION

Mr. **Regula**. I note you have requested funds for project supervision, about a half million dollars per project. Will these be State Department personnel? Would they be engineers and architects, and so on, that would be doing on-site inspection during the construction process?

Mr. **Dertadian**. The project director on-site will be an FBO construction manager. He will be augmented or supplemented by professional construction engineering people from the private sector, from the mechanical, electrical, civil engineering disciplines, to help with the inspection and the testing. In addition, when it comes to security-related aspects of the construction to special areas, we will have even closer inspection.

Mr. **Regula**. Then you would not anticipate that the design architect would do the supervision?

Mr. **Dertadian**. No.

Mr. **Regula**. Which is normally what happens at a school building or something of that nature.

Mr. **Dertadian**. No, we would be responsible for that.

HIGH RENTAL POSTS

Mr. **Regula**. I note in your justifications for construction of housing at Abidjan and Dakar that these are high rental posts. I can understand if it were Hong Kong, but the housing is cheap in Kenya. Why so high in those locations?

Mr. **Dertadian**. The rental costs?

Mr. **Bouchard**. I think it is probably a question of supply and demand. Even in the Third World where we normally have not owned a lot of residential property, certainly in Africa, I think over the course of a 10-year period you can easily amortize a rental. You can amortize the cost of a house.

I recall in early days Africa when the continent became independent, in my young days in the department we missed a lot of chances. I think that we bought many houses for tenfold their value from landlords who were smart enough to go in there and build a small house. I think we have never seen any property that we have owned abroad depreciate. In general, I think it is a good investment.

Mr. **Dertadian**. Costs in overseas countries are so complicated. It depends a lot on what they do with their currency in relation to ours. Back around 1980 a Coca-Cola in Buenos Aires cost about $8. It had mostly to do with the value of their currencies against the dollar, and that affects rental and land costs as well.

HOUSING UNITS IN CAMEROON

Mr. **Regula**. Were the two housing units in Cameroon single residence units? I note it is $600,000. It seems like that is a very expensive bit of construction for that location.

Mr. **Dertadian**. Yes, it is expensive. It is one unit for a senior—it is two units, one senior attache house and one unit for staff housing.

Mr. **Regula**. Is that $600,000 the total?

Mr. **Dertadian**. It is for two.

Mr. **Regula**. It is still very expensive. It seems to me given the desire for hard currency, that you would be able to get a better bid than that.

Mr. **Dertadian**. It is a very high-rent post. Rent has been escalating there about 15 percent a year for the past five years, and comparable properties are now renting for $48,000 a year. We will be terminating something that is renting for $41,000. We have figured over a 10-year period we would be spending considerably more than it would cost us to construct these two units, just to rent them.

POLICY ON CONSTRUCTION CONTRACTORS

Mr. **Regula**. What is your policy on contractors? Do you hire locals or do you hire U.S. contractors who in turn hire locals?

Mr. **Dertadian**. On the construction of new embassies?

Mr. **Regula**. Yes, on construction.

Mr. **Dertadian**. Our policy is competitive bidding. We would like to use American contractors, only because we like to have them do this in the countries. Americans do have a 10 percent preference and we certainly enforce that. Our policy on contractors, however—and we have tightened up quite a bit from previous years is as follows: one, we want to make sure they have the kind of experience, in terms of the work they do, that they will need in order to perform the work we need done. We want to make sure they are technically qualified and managerially qualified, and we do check that. We want to make sure that they are financially stable, because we have had problems in the past with organizations that didn't have the financial wherewithal to do the kind of work that had to be done.

Those qualifications standards eliminate a number of people who are low bidders, but in terms of qualifications, all other things being equal in terms of the factors I have mentioned, we normally will give the contract to the lowest qualified bidder.

Now this past year it has resulted in Americans getting a lot of our contracts. I think six out of the seven last embassy contracts have gone, five of them have gone to an American firm. The sixth has gone to a joint venture of an American-foreign firm. Many of those firms do subcontract when they get overseas. They have to. They don't have resources in many of the countries themselves. They will subcontract with construction companies to have the labor in that country. That is normally how it is done.

SECURITY UPGRADES

Mr. **Regula**. I note that you have additional security requirements in Ankara, Turkey to increase the cost by $20 million since last year. It seems like that is a lot of upgrading for the chancery.

Mr. **Dertadian**. I am sorry, sir, which post is that?

Mr. **Lamb**. Ankara.

Mr. **Dertadian**. The funding we got this year, sir, was just for acquisition and development; in other words, site selection and design.

Mr. **Regula**. But it is an increase of $20 million over last year. Why should that be?

Mr. **Dertadian**. The $46 million for construction estimate is an increase?

Mr. **Regula**. From twenty-six to forty-six, I believe that is $20 million.

Mr. **Bouchard**. That is correct.

Mr. **Dertadian**. Any estimates that were in last year's budget for construction in future years would have been based on construction that didn't exist, that exists now but didn't exist then. The criteria to which we are designing and the costs that are associated with them are much higher now than they were when that original estimate was done two years ago. Indeed, in the 1986 portion of the supplemental, we are asking for additional funding for projects that we received funding for in the original 1985 supplemental, but we have had new security standards imposed since that time. We are designing to the new standards and we are asking for the additional money needed to build to those standards. That would be the reason that the Ankara estimate is higher by $20 million.

Mr. **Regula**. Would this be in essence the reason for the $17 million in Tokyo, $19.4 million in Bonn, where you show upgrades of chanceries?

Mr. **Bouchard**. Yes, sir, those three are special construction for technical and security reasons. I think the Japanese also are looking at new technology in building their chanceries.

Mr. **Regula**. Thank you, Mr. Chairman.

Mr. **Smith**. Mr. Rogers.

Mr. **Rogers**. Mr. Chairman, I am sorry to be late.

CONTRACTOR QUALIFICATION REQUIREMENTS

Mr. **Smith**. Have you taken care of your surety bond problem? Have you gotten that corrected so that is not repeated?

Mr. **Dertadian**. Yes, sir, that is another aspect of how we are raising the qualification requirements. We are setting higher bond or letter of credit requirements than we have in the past, and we are making sure that companies are financially capable of meeting that requirement.

Mr. **Smith**. That is property in the United States, assets in the United States, or in the event of a default or damages that you can get money in the United States.

Mr. **Dertadian**. Well, we can get money overseas in terms of a letter of credit too, but, again, six out of the last seven have been American contractors, so that has not been a problem.

Mr. **Smith**. Then with regard to U.S. contractors, how many of these employees—I mean the contractor himself is an American citizen. How far down does that go? How many are Americans?

Mr. **Dertadian**. Again, we use the Percy amendment provisions. That is the law that we operate under, and under the Percy amendment provisions, 51 percent of the managerial employees have to be either American citizens or current resident aliens. That qualifies with a couple of other things as a company being considered an American company in terms of the contract award in terms of the 10 percent benefit.

Mr. **Smith**. Then all the employees could be Koreans?

Mr. **Dertadian**. Below that. They could be anything.

Mr. **Smith**. And they usually are, aren't they? They usually are American citizens below that?

Mr. **Dertadian**. It depends on the kind of company. There are companies that would be like that. Most of the companies that we have given awards to recently have a lot of American citizens, but there are some that would qualify where they would meet the situation that you describe, yes, and there are also members of the ABCA.

Mr. **Bouchard**. But I think it is fair to say, Mr. Chairman, that regardless of whether it is an American company or not, if you walked on that site on any given day during construction you would be likely not to see what appear to be American workmen on their hands and knees, if you will, because I think most American companies will sub or will utilize people that are available in that country, if they have the skills.

BUY AMERICAN ACT

Mr. **Smith**. And there is no prohibition against that? There is a requirement to use American-made goods. How does that work?

Mr. **Dertadian**. We try to follow all of the buy-American acts. If we find that because of constructing overseas, shipping costs and so forth, there is a hundred percent differential we would evaluate that in terms of cost, but I think about 75 to 80 percent——

Mr. **Smith**. You are talking about equipment now or are you talking about construction materials?

Mr. **Dertadian**. Even of materials.

Mr. **Bouchard**. I think if they cost 50 percent, less than the American goods, we are able to look at locally procured materials under the Buy American Act.

Mr. **Dertadian**. As long as they meet the standards.

SEQUESTERED FUNDS

Mr. **Smith**. It seems like we are running in about two directions at the same time. A total of $14,814,000 was sequestered, from this appropriation for FY 1986. How are you going to handle that?

Mr. **Dertadian**. Yes. We are handling that by making a number of cuts in some of the capital money we have for other programs that are not security related, and having to make some cuts in our functional programs as well.

DIPLOMATIC SECURITY PROGRAM

Mr. **Smith**. Then you are requesting $454,532,000 in the supplemental for the new diplomatic security program; is that right?

Mr. **Bouchard**. Yes, sir.

Mr. **Smith**. In this list of projects that we have here, how many of them are justified on the basis of security and how many of them are regular projects?

Mr. **Lamb**. Of the 86 posts, there were four posts that were added in the 1986 construction program by OMB. Of those, only two that we really have trouble justifying, that I have trouble justifying on security grounds. One of them at Kingston is the most serious, but apart from that, the others I think we have got a good security case for.

Mr. **Smith**. Then we talked about meeting the 100-foot setback and those standards. You said, I believe, there is only one that didn't meet that, but you were not including the ones you are doing for the USIA or AID.

Mr. **Dertadian**. No, sir.

AID AND USIA SECURITY STANDARDS

Mr. **Smith**. What is the justification for not making AID and USIA projects have the same security standards that the State Department has?

Mr. **Lamb**. Sir, I think they will. We have had some discussion with AID about some of their buildings. I think USIA is making some program arguments in some cases that they need their cultural centers and their libraries in downtown areas, in places where it is sometimes difficult to get the 100-foot setbacks, and we just deal with them on a case-by-case basis.

If we can feel comfortable that the threat is not great in that country, if we can agree to it we do. If we feel that the threat is too great for us to agree to waiving the security standards, we don't. I think it is basically the same process with AID. So far we have not had any real issues with AID, but I see some coming down the road.

Mr. **Smith**. Mr. Rogers.

Mr. **Rogers**. Thank you, Mr. Chairman.

FURNITURE AND FURNISHINGS INVENTORY

Mr. **Rogers**. Talking about furniture and furnishings for a minute, do you know the total value of our furniture on hand in our overseas buildings?

Mr. **Bouchard**. I will try to get a handle on that, Mr. Rogers. I think the answer is no. I could be corrected, but I believe it is no. We are moving ahead with computerized real estate management, as I mentioned in my statement, in order to down the road somewhere achieve this, what would be a normal business practice, that we do not lag behind. I don't think we have the answer. We have some guesstimates and we have some real ballpark figures but we don't have anything specifically.

RECYCLING FURNITURE

Mr. **Rogers**. Will any furniture be recycled in the building program that you are asking for, or will it all be new furnishings?

Mr. **Bouchard**. Normally—and I believe I know, sir—what you are leading to, and it is a good question. When we built an embassy a year, if you will, in the past, when we got close to completing the construction we would come in for money to furnish that entire embassy. We found in a lot of the embassies that we were leaving, furniture that was very old and maybe didn't fit in new buildings and so forth. When we initially developed this program, we decided rather than wait for the out years, as we get close to the completion of the construction, we would include the furnishings for these buildings up front, as we have in this package. For us to say that none of the furniture is recyclable I think is not correct. We can recycle some furniture, but the decision, right or wrong, was made six or eight months ago to move ahead with this package in this fashion and we did so.

Mr. **Rogers**. My understanding is that, for example, in Oman, we will spend $1.5 million on furniture and it shows no savings from recycling old furniture. Tunisia, we would spend $2.6 million on furniture, with $150,000 worth being recycled. Are we just throwing out everything we have there in furniture, starting afresh? I don't mean to be picky, but this is a lot of money.

Mr. BOUCHARD. No, I understand. I think, again, whether we failed to include it in here, certainly our managers in the field and here at headquarters would not throw out furniture. We would sell it on the local market probably, and the funds would be returned to the Treasury.

If we haven't done so in each and every case, it is perhaps because we didn't have a handle on the approximate value of that furniture or the resale value of that furniture at a particular location.

FURNITURE AND FURNISHINGS REQUEST

Mr. ROGERS. It is no small item in toto. The total cost of furniture and furnishings in the program you ask for is almost $100 million in fiscal year 1986, it is $11.4 million out of the total of $454 million. In 1987 it is $43.5 million out of $1.1 billion. In fiscal year 1988 it costs $21.2 million, and 1989 it is $19.2 million. Is that correct?

Mr. BOUCHARD. Yes, sir.

Mr. ROGERS. It is no small matter, $100 million, and we are showing just a few dollars value on the furniture that is currently on hand.

Mr. BOUCHARD. I might add, Mr. Rogers, that this category of furniture and furnishings includes some of the normal appointments such as carpeting, window dressing, and what have you, as opposed to the hard furniture. It is both, so there would be some that would not be transferable at all. We have a new embassy, we have different kinds of windows, new venetian blinds, or what have you.

Mr. ROGERS. That doesn't include any security devices?

Mr. BOUCHARD. No, sir.

Mr. DERTADIAN. If I could just add, many of the embassies that we are replacing, we are replacing to get everybody into one building. A lot of these buildings weren't initially furnished by FBO except maybe way back eons ago. We don't refurbish the buildings with the FBO budget. What refurnishing that is done is done by the regional bureaus so it is hard for us to get a handle on the value of what is in there now since it has been 20 or 30 years since we had much to do with the furnishings.

In addition to that, a lot of the stuff is just not usable in new buildings, but you can sell on the local market at the post and get some good proceeds from the sale. One big problem we had with this was that it is a big budget with a lot of posts. We don't have people available to go to each embassy and look at what they have in inventory and make some determination. However, on the furniture and furnishings we use estimates based on the formula that we have that brings us in at cost, which are high, but half of that cost on the average at least, for the shipment, the freight and the storage of furniture if it is American furniture. We do intend on furniture and furnishings, since we have such a large program to do this in a very competitive way, to go to competitive bidding and to standardize our furnishings overseas to the maximum extent possible, and hope that it will be an even more cost-effective basis than we have. But we have budgeted for it in terms of what our understanding of the requirements are at these posts.

FUNCTION REDUCTION

Mr. **Rogers**. You are looking at ways of consolidating missions as a result of Gramm-Rudman, and I understand one option to you would be a small post option, the possibility of limiting the number of functions performed at a particular mission. That could then reduce the security-related costs of construction at that particular post. What consolidation options do you have or are you examining as a result of Gramm-Rudman or other strictures?

Mr. **Bouchard**. I think as I mentioned earlier to Mr. Dwyer, only 29 percent of all the people in our missions are State Department. The other 71 percent belong to someone else. We in the Department are looking at, under Gramm-Rudman, what we would have to do, which includes some possible reduction in some functions, and the number of people involved in these functions. There have been through the years a number of exercises which the Department led, if you will, in terms of reduction, the balance-of-payment reduction, and so on and so forth, going back to the '60s and '70s. I think it is fair to say that in this vast government of ours, it is not easy to reduce presence of some 50 agencies that operate out there in various parts of the world.

The Secretary of State does not have that clear-cut mandate. Certainly he does not have that legislatively. I know that other agencies are looking at the consolidation and reduction, but even if we reduce let's say 10 percent of all of our presence overseas throughout, the reduction in say the Inman supplemental would not be that great. We could possibly construct a smaller embassy, if you will. We would have to protect fewer people, but in the end we are not going to go out and save half of our request here by reducing personnel by 10 percent or 15 percent. I would venture to say that in the end, the Department of State will be the one who will cut the most, because unlike many other agencies, which have a major domestic component to their resources, we have little, so our cuts are probably all going to come, most of them will come from overseas and while other agencies may . . . cut elsewhere and still operate at the level that they think they need overseas.

The small post concept, yes, we are looking at that, and as you know, we are also looking at reducing a number of posts overseas. We have a letter pending here in the Congress now advising our various committee chairmen that we intend to close seven posts already this year, and we are looking at 87.

Mr. **Rogers**. If you don't get all of the funds that you have asked for, do you have priorities on posts that could be consolidated?

Mr. **Bouchard**. May we have a definition of consolidation here, Mr. Rogers? In terms of, you mean, reducing?

COST OVERRUNS AND MANAGEMENT PROBLEMS

Mr. **Rogers**. Let me get at another area, and that is cost overruns and some management problems. This is a pretty hefty undertaking that we are talking about here, just in terms of management. I know you have beefed up the Department operations in the last few months even, and hopefully that will cure whatever shortcomings we have had in the past. In August 1985 the OIG raised concerns about the very large cost overruns on the projects under the fiscal 1985 supplemental. The initial estimates for 13 buildings had been $175 million. It was found last summer to be at least $90 million more than that, and according to OIG the main reason for the overruns was the change in security requirements.

In addition. OIG raised questions about the adequacy of State Department management to oversee so many large-scale projects simultaneously. There is no question of intent. They just say the resources have been lacking for that type of supervision, and they have recommended increased contracting out of management for these projects. Do you have any feelings about that?

Mr. **Bouchard**. I think Mr. Dertadian is a little closer to this. He has been at it about three months longer than I have.

Following the I.G. study and report, which was done I believe in the summer or spring of last year, we met and satisfied, we really satisfied the I.G. in our reorganization, and while we cannot discount the fact that what they found at that time was true, that with the reorganization and with the beefing up of the operation, hopefully along with the Inman legislation, we believe, Mr. Rogers, that we satisfied the I.G. that this would not reoccur.

Mr. **Rogers**. Well, if it did, I mean if we have not corrected the problems we had, you will be back here this time next year asking for a bundle for cost overruns because we are into so much bigger money here.

Mr. **Dertadian**. Let me respond. Terminology is difficult. If your security standards change and it significantly affects your design construction and your cost, sure, it is an overrun. But there is a good reason for it, and indeed that is what happened. The 100-foot setback requirement, all of the hardening requirements, all of the new requirements that were mandated as a result of the recommendations of the Inman panel came after we got our supplemental budget. We decided we will redesign these embassies to the new standards, and the additional costs are reflected in the 1986 supplemental.

To the degree that we have changing security standards in the future, we are going to face the same kind of problem, but with the Inman report, with the recommendations of the National Academy of Sciences, with the work we have done in the Department on research of the security threats and what we have to do in construction, I think we have reached a fairly stabilized level on what we have to do in this program, so I don't anticipate overruns, although if some new technology or a new threat comes up we will have to come back here explaining why it costs more.

In terms of the management, I really would like to talk to that. Frankly, the management of the 85 supplemental projects has gone very well, very well for FBO in terms of our past record, probably very well compared to any other construction in government. We are substantially on schedule. We are into construction on some of them. By this summer we will be in construction on all of them.

We have kept a very good schedule both in terms of cross-tracking and in terms of being on site in these projects.

However, when we face a program of this magnitude, with all the projects that we are talking about now, even the improvements we have made in terms of management programs are not enough. We would not be able to do it alone. We referred to this earlier. When originally this project was looked at, saying what FBO would need to manage it, it was over a thousand people. Well, we don't need a thousand people, getting those kinds of skills. That is where we have made the decision to use private sector program management as an extension of FBO to do the first line management of these programs, and we would do the oversight of them. That includes every aspect including the on site inspection and supervision.

Mr. ROGERS. Excuse me, you said that is what you are planning to do?

Mr. DERTADIAN. That is what we are planning to do. We have already issued a synopsis requesting these services. An RFP will be coming out in early April for them to respond to, and by this summer we hope to be able to be in a position to select the first program manager for this program.

Mr. BOUCHARD. Mr. Rogers, if I might, I think you are referring to one of the things that it haunting us—Cairo. We have said repeatedly we hope, we will try to insure there shall be no more Cairos. We have had some successes, I think, in the recent past. Cairo has been a continuing problem that has been nipping at our heels for quite some time.

SECURITY JUSTIFICATIONS AND PRIORITY LISTING OF PROJECTS

Mr. ROGERS. Let me be sure that you understand where I am coming from in my questions. I think you are going to have a heck of a time getting this through the House, in spite of the support of the gentleman who is chairman. I think it is going to be extremely difficult in tight budget times in the Gramm-Rudman era to get $4.4 billion for the State Department, even though possibly it can be justified entirely on security grounds. And what I am trying to do is be sure that you have in fact combed this thing through with a fine-tooth comb and that every single dollar can be justified on security, terrorist protection, information and personnel protection, and that every single penny is absolutely necessary, because that is going to be the battle on the floor of the House and the Senate. That is where I am coming from.

I hope you understand my attitude.

Have you provided a listing of the priorities for these projects for the record?

Mr. BOUCHARD. I am not aware that it is, sir.

Mr. LAMB. We have provided it to the staff.

Mr. ROGERS. I have a copy. You said that on the last one, Jamaica, was shaky at least on security justification. Is that the only one that is shaky on that justification?

Mr. BOUCHARD. I think we may have one other one, Mr. Rogers—Belize.

Mr. LAMB. That is not in the security program.

Mr. **Dertadian**. It is in the '87 budget. It is in the regular 1987 budget.

Mr. **Bouchard**. Are you referring to the 1987? That is not on the list, that is the security list.

Mr. **Rogers**. This is fiscal 1986.

Mr. **Bouchard**. That is the security list.

Mr. **Lamb**. The 1986 list in particular was based primarily on security. We had four or five of those critical threat posts, and the great majority of the rest of them were high-threat posts. It is mostly the Middle Eastern countries where we are very concerned about the security of our people. There is another type of security concern in Geneva. It is from a different kind of threat. Geneva is one of the 1986 posts that are in there primarily because of the technical security for the START talks. Of course, this is a priority. That is the reason we ranked it. We have given the priority listing to the committee.

Mr. **Rogers**. So that if you got less than the full requested amount, you would have some way to allocate or spread your funds out on less than a 100 percent basis?

Mr. **Lamb**. Yes, sir.

Mr. **Rogers**. Is there a way that you can attach some degree of importance in security to this priority list? For example, assuming that the number one is the least danger and 10 is the worst danger, how far up from the bottom would we go before we reached say 5?

Mr. **Lamb**. I think halfway, sir. In putting this together we tried to use a rule of common sense. We looked at the threat in the country, and we got with the construction people and determined if we got the money for this we could move out quickly on it. So we used a combination of threat and construction information. By doing this, our list isn't a strict ranking in threat order.

For example, Kuwait is one that is a very high threat to us, but we are having a heck of a time getting a site there from the government that we think meets our needs, so we put Kuwait about midway down on the priority list.

Mr. **Rogers**. Mr. Chairman, I have got a number of other questions, but I am way over my time.

Mr. **Smith**. Go ahead.

Mr. **Rogers**. I could go on a long time just on particular projects. As Mr. Regula said, we don't have very much specifications on details documenting the need. I suspect that you could make a career out of nothing but that, and I am reading the report. But given the hurry-up nature here, the advanced schedule that we are on, I haven't had time to go through it, Mr. Chairman, so I am going to yield back.

SITE JUSTIFICATIONS

Mr. **Smith**. Now these sites for the projects that are included in the 1987 request, have you identified all of the sites or not?

Mr. **Bouchard**. No, sir.

Mr. **Smith**. Have you had preliminary work on identification?

Mr. **Bouchard**. In some cases I believe we have. In other cases we have gone out to our embassies. We have in every case gone out to our embassies and asked them at least to give us an estimate of what a site of the required size that with the setback, et cetera, would cost approximately, so that we have not been able to say we have a site in country X.

Mr. **Smith**. Do we not only get the setback required but make sure the zoning next door is suitable or can be changed so that we don't have high-rise buildings next door and all these kinds of things?

Mr. **Bouchard**. We have done that.

Mr. **Dertadian**. We gave them all of the requirements we have for site. There are quite a few, and those are among them.

SITE COST ESTIMATE

Mr. **Smith**. Then who made the estimate of cost of site?

Mr. **Dertadian**. We asked the embassy, to the degree that there is a legal or real estate expertise in a country, they would use that. To the degree that there wasn't, and in some of these countries there really isn't, they would have to use their best judgment based on their contacts and also we asked to look at alternate sites, not just one, and to look at things that might be out of town as well as in town, and so forth, to give us a range.

TIME FACTOR IN SITE ACQUISITION

Mr. **Smith**. In each case in determining which ones to put in your 1987 list, did you incorporate into that consideration how long it takes to acquire property? Are you sure you can acquire the property in time to use this money in 1987?

Mr. **Dertadian**. At a few posts we have enough information that we can be sure. Others we just don't have that kind of information. All we know is that we will do everything we can to expedite it in terms of putting the proper resources in to acquire it.

Mr. **Smith**. You have in your 1987 request the money for the sites for these?

Mr. **Dertadian**. Yes, sir.

Mr. **Smith**. In all cases?

Mr. **Dertadian**. Yes, sir.

Mr. **Smith**. The money for the sites?

Mr. **Dertadian**. Yes, sir, for the 1987 budget.

Mr. **Bouchard**. But we really can't be sure that we can deliver an adequate site for each and every one of these projects. Some of it is by the seat of the pants. We are doing the best we can with what we have.

GSA SQUARE FOOTAGE STANDARD

Mr. **Smith**. With regard to size of these buildings, some of them are larger than what you have had in the past. Are you using GSA standards for the number of square feet per employee, or what standards are you using?

Mr. **Bouchard**. Yes, sir. I think there may be one misleading factor in that some of these, as you know, we are bringing in people from the various annexes. We may have people like in Kingston, if you will, it may not be a good example, but we have people I believe there in six or seven different buildings, and we would intend in each and every case—and there may be some exceptions, as Mr. Lamb mentioned earlier—with AID or with USIA because of their programs—that they would not come into the main chancery, but where we have through the years incrementally built up, and new agencies come onboard and we get another annex down the street, and so on and so forth. We would bring everyone together, and I think that in some cases it would be doubling the need in the main building, whereas now you have half the people in the main building and half the people scattered throughout town.

Mr. **SMITH.** You are saying there isn't necessarily a proposal for more square feet per person?

Mr. **BOUCHARD.** No, sir. And we will, I believe, I know we will strive to achieve the 135 square foot GSA standard.

Mr. **DERTADIAN.** What shows in the budget, the existing square footage shows the current chancery, projected, and the people housed in it. It doesn't show the square footages in annexes that are rented and the projected is what we project to be in the current chancery. Therefore it looks sometimes like a huge increase in square footage or people, even when it is not.

We have gone through all of that and we will be glad to give the committee some figures which are updated, which actually show the square footages when you count annexes and the personnel projections.

NET USABLE SPACE

Mr. **SMITH.** Also the figures indicate—is this true?—that the net square feet inside the walls seem to be less compared to the outside. Why is that?

Mr. **DERTADIAN.** When we design a building we first of all use a 65 percent efficiency ratio. In other words, your gross outside of 65 percent is your lobbies, your hallways, your partitions, your walls, your toilets, your stairways, and so forth. That is sort of a standard provision. Then we divide it up to space for certain kinds of operational functions, warehousing, maintenance, your medical assistance rooms, communications rooms, communications centers, your conference rooms, and so forth.

When you are talking about, say a 100,000 square foot building, once you get your cafeterias and everything out, you end up with about 43,000 square feet, I think, for office space, and indeed that office space is office space where we use criteria which is equivalent to the General Services Administration criteria.

Mr. **SMITH.** Then are you including in these proposed buildings more space for these kinds of services other than offices than you have had in the past or not?

Mr. **DERTADIAN.** Communications centers are larger. To the degree that our current facilities are inadequate in terms of conference room facilities and other requirements, classified conference room facilities, certainly that is going to be expanding in our new buildings. But I don't think it is a significant expansion but just a matter of getting buildings that are suitable for us to be building.

SPACE INCREASE FOR COMMUNICATIONS FACILITIES

Mr. **Smith.** How substantial is this increase in space for communications facilities? Is it substantial or is it an insignificant part?

Mr. **Dertadian.** That is a substantial increase. I don't know what the average communications facility now is in a leased or owned building, but the current one that we are building to I think is about—what is it?—10,000 feet? 3,600 square feet.

Mr. **Bouchard.** The requirement, Mr. Chairman, from other parties is increasing for the communications, sharing of communications.

Mr. **Smith.** Other agencies you mean?

Mr. **Bouchard.** Yes.

U.S. PRESENCE IN THE SOVIET UNION

Mr. **Smith.** We are talking about reducing the presence of Soviets in the United States while we are trying to increase the number of people we have over there.

Mr. **Bouchard.** The only increase, Mr. Chairman, the increase is based on the substitution of Soviet personnel by American personnel.

Mr. **Smith.** Right.

Mr. **Bouchard.** Other than that, I don't think we contemplate an increase in our activities.

Mr. **Lamb.** We think we can increase our presence over there and still stay below the Soviet numbers in the United States. The Soviets have very few local employees here. They have eight to 10 American employees working for them primarily as translators.

Mr. **Smith.** You mean we can stay below their number excluding the U.N.?

Mr. **Lamb.** Yes, sir. We are using two different counts here. The U.N. we treat——

Mr. **Smith.** As separate?

Mr. **Lamb.** As a completely different category, and we have an agreed ceiling on diplomatic and consular presence. We are well below that ceiling, because we use a lot of FSN's, or have in the past, but we can increase the number of official Americans we have and still be below the Soviet numbers.

Mr. **Smith.** How much is this increase going to cost us?

Mr. **Bouchard.** Millions. In terms of substituting?

Mr. **Smith.** Right.

Mr. **Bouchard.** I don't have the exact figure, Mr. Chairman, but it is very, very high.

Mr. **Lamb.** We are asking in this budget for $8 million for the Soviet Union and the six East European countries to replace FSN's with Americans, and that is about 80 or 90 people.

REPLACING FSN'S WITH AMERICANS

Mr. **Smith.** Why was the decisions made to do that? Is it congressional pressure or was the decision within the administration by those who want to do it, or a combination of the two?

Mr. **Lamb.** The pressure really started from the Hill and mainly with the Senate Intelligence Committee. We were initially very reluctant to do it, but I think in fact we really do need to reassess the role of our local employees overseas. That hasn't changed——

Mr. **Smith**. You mean by that you haven't fully assessed it?

Mr. **Lamb**. I think it is changing. I think there are places where we have local employees that we probably ought to have more Americans. For example, the computer area even though FSN's are doing unclassified work, they get access to an awful lot of sensitive information. In budget and fiscal accounts, you can tell an awful lot about an embassy's operations by processing those accounts, who is traveling where. Yes, sir, I think it is something that is desirable for us to do. I don't think it is desirable for us to——

COST OF REPLACING FSNS

Mr. **Smith**. To the extent of $8 million, or have you decided whether or not you would be just as happy with $4 million for this purpose?

Mr. **Lamb**. In Moscow, we have been mandated by the Congress to reduce the number of FSN's working in the embassy. Outside of Moscow it is discretionary.

Mr. **Smith**. But that doesn't answer my question.

Mr. **Lamb**. It is going to be awfully expensive to send Americans over there in place of the FSN's. We don't really know. We don't have a lot of experience with it. It might be cheaper once we get into it. It might be that we could do it for something less than the $6 million that we are asking for Moscow.

Mr. **Smith**. It might be that you could meet all the objectives that you think need to be met without replacing as many as what you now anticipate; is that correct or not?

Mr. **Lamb**. We are not planning to replace them all right now anyway.

Mr. **Smith**. I know. But the number that comes to $8 million you are?

Mr. **Lamb**. Yes, sir. I don't know the list well enough to say. Obviously, if we didn't get $8 million we would replace what we could.

Mr. **Smith**. Mr. Feldman, do you want to say something?

Mr. **Feldman**. Mr. Chairman, if I might just clarify. The total cost of replacing the current FSN staff is $21,168,000. In addition to the 79 American contract personnel, 90 FSN personnel will be retained in a core mission arrangement.

Mr. **Smith**. So it is $21 million, the cost to replace these FSN's?

Mr. **Feldman**. Yes, sir.

Mr. **Lamb**. Yes, sir. I am sorry. The figure I quoted, $8 million, is actually $6 million, and that was only the fourth quarter cost, that is for 1986.

NUMBER OF FSN'S TO BE REPLACED

Mr. **Smith**. My question still is, have you in the Department determined that it is really desirable to replace this number, or is that still kind of up in the air as to how many ought to be replaced?

Mr. **Lamb**. Sir, the congressional mandate——

Mr. **Smith**. I don't care about the congressional mandate. That all can be changed. If you don't have the money, you can't do it.

Mr. **Lamb**. That is right. I don't want to give the wrong impression here. We have to move into the program, but I think we have to move into it cautiously. It is going to be hard to replace 79 FSN's in one year, or send 79 Americans out there in one year. I think a little bit of gradualism is helpful to us in this program.

REPLACEMENT COSTS IN MOSCOW

Mr. **Smith**. Replacing 79 costs $21 million? Is that the figure?

Mr. **Bouchard**. Yes, sir. Speaking off the top of my head, we are talking $100,000 per contract.

Mr. **Lamb**. More than that.

Mr. **Feldman**. It is much more than that.

Mr. **Lamb**. I don't know what the final figure was, but it turned out to be very expensive by the time we got Russian speakers, went through the contractor, paid the overhead, paid the travel expenses.

Mr. **Bouchard**. Shipping of effects, everything that we do for regular State Department employees or other government employees is done for the contractor, in addition to the overhead costs. I suppose if we employed those types of people, it would almost be cheaper for us to use regular American hires, but we don't employ, normally, the kinds of people that we are now putting into Moscow. We have traditionally employed locally hired people for that. Now, perhaps down the road, if this is a program that is going to be spread throughout bloc countries and then in other parts of the world, we may have to look at it.

Mr. **Smith**. So you would be contracting for these services, then?

Mr. **Bouchard**. Yes, sir, they are all contracts.

SECURITY CLEARANCES FOR CONTRACT PERSONNEL

Mr. **Smith**. And what assurance do you have that the contractor will only employ people that know enough to keep their mouths shut and so forth?

Mr. **Lamb**. We conduct security investigations on them.

Mr. **Smith**. How long does that take?

Mr. **Lamb**. We have been able to do it in 90 days now. We have got our security clearances moving along fairly well. This is going to be a tough crowd.

Mr. **Smith**. So the contractor will submit to you the name and information of the individual they want to send, and you are going to do a security investigation on that individual?

Mr. **Lamb**. Yes, sir. And this is going to be a tough crowd to clear, because it is probably going to be a lot of Russian people, people of Russian descent, maybe even some emigres, because we need Russian speakers. So if we get people who have traveled a lot, it will take us longer.

LANGUAGE REQUIREMENTS

Mr. **Smith**. If they don't, do you send them to language school, if they don't speak Russian?

Mr. **Bouchard**. That is not contemplated in the contract. Obviously, telephone operators we will require that they have to speak Russian.

Mr. **Smith**. So you are contemplating the contractor will furnish somebody that already speaks fluent Russian?

Mr. **Bouchard**. In certain disciplines, in certain jobs, it is required under the contract, and as Bob says, it may be difficult to find these people, and too, clearing them will be——

MOSCOW CONTRACTOR COSTS

Mr. **Smith**. Is there any money in the 1986 supplemental for this purpose?

Mr. **Lamb**. Yes, sir, $6.3 million.

Mr. **Smith**. This is the end of the second quarter, the very end of it. It takes 90 days to clear them. Have you gotten the names of these people? Have you started clearing them?

Mr. **Lamb**. No, sir. There is some money up front in this, because the contractor has to go out and find them, and that is one of the problems. It is going to be very difficult to recruit people.

Mr. **Smith**. Is there money in the 1986 supplemental just for the up-front money or is it to pay—$6 million is enough to pay for a full quarter of employment?

Mr. **Lamb**. Yes, sir.

Mr. **Smith**. You can't do that, can you, when you only have two quarters left. It takes one quarter to clear them, they wouldn't be on the payroll yet?

Mr. **Lamb**. Yes, sir.

Mr. **Smith**. In 1987 it would be $20,320,000, an increase of $21,990,000, so this anticipates that about a fourth of them would be on the payroll wouldn't it?

Mr. **Lamb**. Yes, sir. This was actually worked up some months ago, when it looked like we really could do that.

Mr. **Smith**. But you can't do it?

Mr. **Lamb**. We could not have those people onboard. We would need some up-front money just to get this contractor funded. The contract hasn't even been let yet.

MOSCOW CONTRACTING METHODS

Mr. **Smith**. What about this contract; do you put out bids for the contract?

Mr. **Bouchard**. Yes.

Mr. **Smith**. There would be one contractor bid?

Mr. **Lamb**. Yes, sir.

Mr. **Smith**. For one country or for several countries?

Mr. **Bouchard**. So far we have only done it in the Soviet Union, in Moscow. We have a maintenance contract that has now been awarded to a California firm, I believe, and it is to basically maintain our facilities in the new compound, and the omnibus contract, I believe that RFP is on the street now, would be only for Moscow, to provide a series of services.

CONTRACTORS: SECURITY CONCERNS

Mr. **Smith**. How many of these people are going to be where they might acquire some information that would be available to the Soviet Union?

Mr. **Bouchard**. First of all, I believe although they will be cleared Americans, there will be a limited access to certain parts of our facilities.

CONTRACTOR JOB CATEGORIES

Mr. **Smith**. You don't have a breakdown of who these 79 are, what kinds of jobs they do?

Mr. **Lamb**. Not with me.

Mr. **Bouchard**. A lot of maintenance people, Mr. Chairman, people who work fixing our refrigerators and some of our household things, janitors, people like that.

Mr. **Rogers**. Will the Chairman yield?

Mr. **Smith**. Yes.

DOD PROJECTS

Mr. **Rogers**. You know we are being asked just to spend the money for security purposes in connection with personnel, and yet in 87 projects, for example, the first three or four listed in the justification, for example, of the Ivory Coast office building, an area of description of the project mentions words, "It is impossible to travel from one side of the embassy to the other without taking a small elevator or stairs to a lobby level where one crosses over to the other part of the office building. Much of the interior space is wasted." It does mention setback problems and so on. Then the next page for the DOD projects in the Ivory Coast, the description says that the city if a high-rental post, that it is a favorable time to acquire property, and so on. I don't see security mentioned in that description.

Mr. **Bouchard**. Sir, on the DOD housing, they are not necessarily security related but are just part of our regular 1987 program on the DOD housing at six posts.

Mr. **Rogers**. That is not part of the 4.4?

Mr. **Bouchard**. No, sir.

Mr. **Rogers**. So anywhere DOD has anything in here that is not part of this?

Mr. **Bouchard**. This is correct, yes, sir.

CLARIFICATION OF JUSTIFICATIONS

Mr. **Rogers**. Well, coming down to the chanceries, there are some security considerations, but quarters are too small, inefficient operations. Further, "The British have requested that we move as soon as possible."

Mr. **Lamb**. We are in the back of the British High Commission Building there. It is one of our critical threat posts, and it is a place that we need to do something fairly quickly. That is a place where they just walk through down the streets with machine guns I guess firing them off into the air.

At Abidjan, we have facilities at five different locations in Abidjan. This building is right up on the street. The building itself, the ownership is contested. In fact we have been paying the rent into an escrow account for a year or two there, until the ownership questions get resolved. We have just not been able to put in our security measures that we put into most places, because of this ownership question. It is a place that we really need to get out of fairly quickly, although it is only a medium-threat location.

Mr. **Rogers.** What are you saying, that you can't justify it based on security?

Mr. **Lamb.** I think there is a security justification. I just wanted you to know that this is not one of our highest threat posts. I think there is good reason to get those people into more secure quarters in Abidjan.

Mr. **Rogers.** That is sixth from the bottom in priority in 1987?

Mr. **Lamb.** Yes, sir. I think that is about the right place for it.

REQUEST FOR MORE DETAILED JUSTIFICATIONS

Mr. **Rogers.** Cameroon, this says "Cannot be implemented." I think what I would like to know on these is why can't they be implemented? You know just to say that, and there is $29 million there, we are having to tell people back home that you can't have this or you can't have that because we are pinching pennies up here, and then we are asked just to dish out this kind of money just upon somebody's statement that "Necessary security precautions cannot be implemented." That is tough to justify back home. We have got to go back there and say: Look, we are spending $4.4 billion above regular operating procedures for the State Department to build buildings overseas, but you can't have that water district, you can't have this or you can't have that, and I hope you appreciate the difficulty it places us in. Sure, we should maybe let some of those considerations be involved here, but I really need something to back me up on this. Can you help us out somehow without taking the whole Department and putting it on its ear? Surely there is some more detailed information that we can look at that will give us a better feel. It very well could be, and I am sure somebody has got justifications that would satisfy us. But, boy, just to say that and nothing more is really tough to deal with.

Mr. **Bouchard.** I think Bob and Dick can come up with——

Mr. **Lamb.** We can write something up and send it up to Mr. Osthaus.

Mr. **Bouchard.** Also, Mr. Rogers, for the record, the building is not 4.4. It is 2.9.

Mr. **Rogers.** That is correct. I apologize. The rest is for other purposes.

Mr. **Lamb.** For other purposes.

REQUEST FOR BELIZE, 1987

Mr. **Rogers.** In Belize, 1987, I have read that description there, and I don't yet know what it says. Can you tell me what the story is there in one sentence?

Mr. **Bouchard.** In terms of why we should go to Belmopan?

Mr. Rogers. Yes, why we should build a new chancery down there.

Mr. Bouchard. Let me try, and perhaps Mr. Dertadian can embellish on it. The government is essentially moved from Belize City to Belmopan, which is some 50 miles away. They have determined that to be the new capital. They have given various diplomatic representatives their pieces of land on which to build. The British built there about a year or year and a half ago and they have installed themselves there. What we are doing, our people are commuting, in essence, back and forth from Belize to Belmopan to conduct most of the government business, although I believe that there may be several ministries which still operate out of Belize City. Our request is to build a chancery, but we do have enough land to put several residences on that site, which we would like to do primarily because Belmopan has no available housing. There is very little there, and it would be very difficult in supplying housing.

I recall I was there about three years ago, and there is not much there, I can tell you. So we would like, if we can go ahead with chancery construction, to go ahead with several key residences in order to move as many people as we can, and we will still probably for the time being have to have a number of people living in Belize and commuting, but two-thirds of the year the road is out. It floods, and it is even difficult to get to and from.

Mr. Rogers. We have got 27 people there. State has 15 and other agencies 12, for a total of 27. It costs $1 million a head, more than $1 million a head for those facilities in Belize.

Mr. Bouchard. We have a total of 79 embassy employees, which includes 50 FSN's.

Mr. Rogers. Yes, 27 U.S.

Mr. Bouchard. Right, I show 31, but we won't quibble over four.

Mr. Rogers. I have got your book here.

Mr. Bouchard. I am sorry, you are right, yes, sir, 27.

Mr. Rogers. I could go on and on, Mr. Chairman. I won't take that much time, but perhaps we could have a chance to talk to your people and get a better feel for some of these projects, maybe some of my concerns would be laid to rest.

Mr. Smith. I have some additional questions which I am going to submit to you and you can answer for the record.

[The questions and the answers submitted for the record follow:]

QUESTIONS FOR THE RECORD SUBMITTED BY MR. SMITH

Criteria for Project Selection

Question 1:

You are requesting $454,532,000 for an FY 1986 supplemental for the new Diplomatic Security program. Of the $1,362,120,000 requested for FY 1987, $1,089,609,000 is for the Security program. How many projects are you requesting during this two-year period, and how many of them are requested under the Diplomatic Security Initiative?

Answer:

For the two years we have requested funding for 51 projects. There are 23 requested under the Diplomatic Security Supplemental for FY 1986 and 24 for FY 1987 for a total of 47 security projects. Four projects in 1987 are not related to security.

Question 4:

What are the threat levels of the locations which were selected for the Diplomatic Security Initiative, and what are the threat levels for those locations which are in your regular program?

Answer:

Classified answer has been submitted to the Committee.

Question 5:

Are the security improvements being planned and carried out in the same order as the threat level. If not, why not?

Answer:

Nearly all planned security improvements are to be carried out in the same order as the world-wide physical and technical threat level determined by the Department. The few exceptions to this rule generally concern completion costs for security projects which have previously been partially funded by two FY 1985 Security Supplementals and the 1986 appropriation for Acquisition and Maintenance of Buildings Abroad. The additional costs for projects in these previous appropriations reflect new requirements based on recently strengthened global security standards for our facilities abroad.

U.S. AID and USIA Facilities

Question 1:

What is the rationale for including construction projects of AID and USIA in the State Department request?

Answer:

As the Secretary said in his statement of March 12 before this Subcommittee, the State Department request is "a major, national program to improve the physical and technical security of all civilian departments and agencies abroad..." Accordingly, it follows that the construction requirements of AID and USIA should be a part of this comprehensive worldwide security program.

Question 2:

Do those agencies fully concur with the plans and amounts requested?

Answer:

The initial AID and USIA proposals were prepared by these agencies. After Departmental and OMB review, adjustments were made to these proposals. AID and USIA concur with the revised plans and amounts requested.

Question 3:

Does the fact that the request is in the State budget means that no such amounts for security construction will be included in the AID and USIA budgets?

Answer:

Yes, AID and USIA will not include amounts for security construction in their budgets since the request is included in the State budget.

U.S. AID and USIA Facilities

Question 4:

Could you provide additional information on the four AID construction projects requested for 1987?

a. How much of the total shown on page 84 is for site acquisition, design, and construction?

Answer:

The four AID construction projects are as follows.

1. Panama City, Panama

The USAID Offices are located in two separate locations. The main building is located across the street from the University of Panama grounds. The buildings do not have sufficient land for minimum security standards setback and cannot be enhanced to an acceptable level. AID proposes to construct a 22,000 square foot office building which will meet minimum security requirements and relocate all employees in one building. The costs will be spread over FY 1986 and FY 1987.

Costs	FY 1986	FY 1987
Construction	-0-	$3,567
Design	607	
Site Acquisition	3,000	
Security Equipment	122	203
TOTALS	3,729	3,770
Cost per sq. ft.		341

2. Guatemala City, Guatemala

The USAID Office building is located on a main traffic artery, with a setback of approximately 30 feet from the street curb, and is across the street from the Embassy. Since the property cannot be brought up to meet minimum security standards, it will be necessary to construct office space which meets minimum security standards.

Costs	FY 1987
Construction	$4,944
Design	466
Site Acquisition	2,000
Security Equipment	338
TOTAL	$7,748
Cost per sq. ft.	199

3. Nairobi, Kenya

The USAID, REDSO, EAAC, RIG and RUDO offices are squeezed into two downtown leased office buildings that cannot be brought up to meet an acceptable level of physical security. The Mission identified an ideal plot of land for construction and we are in the process of finalizing the purchase of this property for a cost of approximately $1,000,000. This new site will provide for proper security setbacks.

Costs	FY 1987
Construction	$7,473
Design	785
Site Acquisition	1,000
Security Equipment	434
TOTAL	$9,692
Cost per sq. ft.	202

4. Rabat, Morocco

USAID is located in a downtown leased office building which cannot be adequately secured. We propose to build a USAID office which provides for adequate setback. Costs will be spread over FY 1987 and FY 1988.

Costs	FY 1987	FY 1988
Construction		$2,886
Design	280	
Site Acquisition	2,500	
Security Equipment	296	
TOTALS	$3,076	$2,886
Cost per sq. ft.		331

Question 5:

You are requesting funds for rehabilitation costs for seven AID projects in 1987. Have the locations been identified?

Answer:

Yes, there will be major rehabilitation of the following offices: Zaire, Zimbabwe, Burundi, Nepal and Thailand. These will cost on the average $275,000 each. There will be minor renovations performed on the following offices: Bangladesh, Pakistan, Liberia, Rwanda and Senegal. These will cost on the average of $100,000.

New Methods of Construction

Question 1:

What new methods of construction, if any, do you plan to use to construct these projects, and how much do you estimate that these new methods will save in construction costs.

Answer:

The Department is investigating two alternate methods of construction: Fast Track and Design/Build. No substantial savings in construction costs per se are anticipated using these alternative methods. However, we do expect to save time by accelerating the design and construction process.

New Methods of Construction

Question 2:

Please explain the "fast track" and "design/build" methods and how they differ from present methods of design and construction.

Answer:

FAST TRACK I: We bid the construction contract based on the architect's 60% construction documents. We use a quantity surveyor who reviews the construction documents and provides us and the bidders with an approximate bill of quantities, i.e., how many tons of steel are projected to be required. Since the construction documents are not complete, his list of the materials required and their unit prices can only be approximate. He gives us the price estimate on each item, the bidders provide their own costing. We thus have a means to evaluate the bids.

The contract is awarded to a single construction contractor who is able to begin construction while the architect completes the construction documents. The contract price can change later when the final quantities are known.

During the design phase we contract for construction management services; risk analysis, value engineering, constructability, etc. We may also use the construction manager to provide additional services such as scheduling, preparing the bid package, analyzing the bids, and for assistance to our project manager during the construction phase.

Fast Track I will be used in locations with reasonably sophisticated construction expertise and where use of bills of quantities is customary.

FAST TRACK II: We bid the construction contracts in series as individual design elements are complete. Usually this begins with the site and foundation package. The design must be locked in early. We use a construction management contractor to do risk analysis, value engineering, and constructability as before, but he has a key role in scheduling the architect to ensure the bid packages are ready as required. We will award bids as the construction management contractor assists in coordinating the role of the various contractors, i.e. electrical, etc. We would use Fast Track II only where there is a sophisticated construction environment.

DESIGN/BUILD: We prequalify contractors with both architectural and construction capability, usually a joint venture, and then ask them to bid on the project. In effect, their bid requires them to present schematics and a price. We award the contract based on our technical evaluation of the bid. We are more concerned with how the bidders approach the problem and their proposed solution. The contract is normally broken into two phases.

During the first phase, the contractor develops a feasibility study, conceptual plans and cost estimates. When these are complete we determine whether to proceed and negotiate a fixed, lump sum amount for the design completion and construction. We plan to use design/build where construction materials are not available and where building skills are minimal.

New Methods of Construction

Question 3:

Can you assure the Committee that you will get the same or better quality of design and construction using these new methods?

Answer:

These project delivery methods are effective methodologies for reducing the amount of time required to complete a project. Ensuring that these projects are completed with the same or better quality as traditional delivery systems will require technical expertise, manpower and management resources.

To accomplish this, the Office of Foreign Buildings has been re-organized to utilize a management concept that would optimize technical and manpower resources and project control. This approach is focused on the formation of FBO/private sector program management teams that would ensure uniform, effective, and efficient management of the projects.

Closing Posts

Question:

Did you consider closing any of the posts that are on the list for FY 1986 and FY 1987 rather than building these new facilities?

Answer:

Security upgrade costs were considered in the review of constituent post operations begun by the Department in July 1985. One post -- Bremen-- among the seven consulates for closure, as notified to the Congress on March 5, 1986, would have involved an expenditure of $2.8 million for security upgrading in order to meet standards recommended by the Advisory Panel on Overseas Security. Other posts having security upgrade costs are being reviewed for possible closure if budgetary stringencies demand.

Question:

Did the Advisory Panel on Overseas Facilities recommend closing any of the posts on these lists?

Answer:

The Advisory Panel did not deal with the question of whether a post should remain open. To do so, would have required substantive judgements outside the panel's purview, involving the Department's geographic bureaus, other Department offices, and other agencies.

New Facilities in Communist Countries

Question:

1. Several of these projects provide for new chanceries in communist countries or involve the retrofitting of embassies because of technical security problems. Are these projects of the same priority as the projects involving the physical security of our personnel and facilities, and if not, couldn't they be deferred in light of our budgetary problems?

Answer:

It is our position that immediate improvements and priorities must focus on the health and safety of our people overseas. Protecting lives as a foremost consideration does not diminish our concern and urgency for countering sophisticated technical threats that confront us in the USSR, bloc countries and the third world.

Our experience in constructing NOB (New Office Building) Moscow has demonstrated that building projects in high technical threat areas are far more complex and require greater preparation, planning and monitoring. As an example, we have confirmed a state of Soviet technological sophistication that will probably be used in attacking construction projects planned for Eastern Europe. For this reason, we would prefer to delay slightly those projects scheduled for eastern Europe with the intent of deriving additional experience and systems support from Moscow. Additionally, several prototype countermeasure systems devised specifically for Moscow require further refinement before full accreditation for wider operational use.

Our immediate response to the threat in the bloc has been to assign experienced security engineers against the Eastern European aggressions. This has meant an increase in Security Engineering Officers from 38 worldwide in 1984 to 139 in 1986. These officers require more than just conventional equipment.

New Facilities in Communist Countries

Question 2:

Why are you proposing to spend $20 million on our present chancery building in London in the FY 1986 supplemental and $9 million on our present chancery building in Paris in FY 1987?

Answer:

The requested funds are for Radio Frequency Shielding for the protection of all Chancery areas likely to contain electronic equipment and classified or potentially sensitive materials. Various types of electronic equipment are increasingly being used within our buildings for communications, data and text processing, and other purposes. Concurrently, there is increasing evidence of greater numbers of incidents of sophisticated and damaging electronic eavesdropping. The radio frequency shielding required is attainable using present state of the art technology.

Question 3:

Do you have the sites in the communist countries for the new chanceries?

Answer:

To date no sites have been acquired in bloc countries. Posts are aware of our needs and are quietly trying to identify potential sites and to find out if real property may be acquired by the USG.

Two sites in Budapest were identified and inspected by an FBO Site Survey Team. One of these sites was identified as acceptable and now we are actively negotiating with the Hungarian Government for acquisition of the site.

Question 4:

What incentive do the governments of those countries have to give us sites where we can build facilities that cannot be penetrated?

Answer:

There are none except where reciprocal property issues may be involved. In this regard, A/FBO will work with the Office of Foreign Missions to apply whatever pressure possible.

New Facilities in Communist Countries

Question 5:

How much in the FY 1986 supplemental and in the 1987 request is for countering the technical security problem, and what does that matter involve in terms of construction?

a. A number of these projects have amounts which are labeled "special construction". Are the amounts requested under this category for the technical security problem?

Answer:

The 1986 supplemental and 1987 request respectively contain the sums of $102.7, and $119.9 million for countering the technical security problem. The amounts cover the cost to shield an average of 25% of the buildings by cleared American contractors and workmen. All amounts under the category "special construction" are for technical security.

Acquisition of Sites

Question 3:

How much success have you had in obtaining sites away from crowded downtown locations?

Answer:

- Sites are obtained away from downtown locations when:

  --the cost of commercial property in such locations is just too prohibitive for us to acquire the acreage necessary to meet our security requirements;

  --host country "diplomatic enclave" or zoning requirements require location away from the city center.

As a result of these requirements, sites in outlying or suburban areas which meet our security and operational requirements have been acquired or identified in Amman, Pretoria, Sanaa and Mogadishu.

Question 4:

If these new embassies are located away from the commercial or governmental areas in these cities, will our mission be hampered in carrying out its work with the host government, the business community, and other diplomatic missions?

Answer:

Location of a chancery away from government centers, where necessary, may cause some inconvenience but will not prevent the mission from performing its work.

Leasehold Payments

Question 1:

Does the FY 1987 request for $83,720,000 for leases, which is shown on page 89 of the justifications, include residential and office building leases, and could you provide a breakdown of the two amounts?

Answer:

The $83,720,000 includes both office and residential leases. Approximately 24 percent or $20,100,000 of the lease costs is for office space.

Question 2:

Why are Living Quarters Allowance (LQA) payments included in the FBO request?

Answer:

Beginning in FY 1986 the LQA and short-term lease costs were transferred to FBO in a restructuring of the Department's budget between Acquisition and Maintenance of Buildings and Salaries & Expenses. The costs for leasing property were transferred to FBO and building operating expenses, including utilities, were transferred to the regional bureaus. This transfer aligns the funding responsibilities with the management of the programs. The LQA costs are considered part of the cost of housing, and are therefore included in the leasehold payments line item of the budget.

Question 3:

Does the $5,977,000 represent all payments anticipated for all State Department personnel worldwide in 1987?

Answer:

Yes, except where the cost is reimbursed through the support provided to other agencies under the Foreign Affairs Administrative Support system (FAAS).

Leasehold Payments

Question 4:

Why do you add total leases to total Living Quarters Allowance payments for new position costs for 1987?

Answer:

At the time the new position requirements are requested, it is not possible to determine whether the housing will be provided in the form of a lease or as a LQA.

Question 5:

What does the total of $93,204,000 represent?

Answer:

This amount represents the cost of lease payments for continuing positions, $83,720,000; LQA for continuing positions, $5,997,000; and housing costs for new positions, $3,487,000.

Real Estate Management System

Question 1:

How long have you been working on the Real Estate Management System and how much has been spent on it to date?

Answer:

Development of the Real Estate Management System (REMS) began in 1982. To date approximately $5.4 million has been spent.

Question 2:

At how many posts is the system fully operational?

Answer:

The REMS Post Building Inventory and Work Order/Maintenance Systems have been installed at 15 of the Department's largest posts.

Question 3:

Would you provide the detailed cost data for the system for each of these posts.

Answer:

The average cost of an installation at post is $132,000. Installation takes from six to eight weeks, depending on the size of tha post and the complexity of its housing mix and building maintenance operations. At the end of an installation, the post has a fully functioning automated building inventory system and work order maintenance system with all principal users trained, including supervisory personnel.

Real Estate Management System

Question 4:

According to the justifications, by the end of 1987 this system will be operational at 20 posts and will cost over $6 million. When do you estimate the system will be fully operational at the remaining posts, and how much do you expect to spend on the system in total?

Answer

The REMS Post Building Inventory and Work Order Maintenance systems installed to date (all at larger posts) run on VS-100 (mini) computers. In FY'87, FBO will develop an application of these systems for personal computers (PC's) suitable for installation at small and medium sized posts. Assuming that PC's become generally available to posts over the succeeding four years, we estimate that REMS will be fully operational worldwide by the end of FY 1991. Over this four year period, on the basis of a yearly budget of $1.5 million, we expect to spend $2.8 million on developing and installing various components of REMS and $3.4 million on maintenance and operations, at a cost of $6.2 million. The total cost for the system since its inception in 1982 would be $12 million.

Question 5:

Please provide a breakdown of the $6 million expenditure.

Answer:

Approximate total costs to date for REMS by major tasks are:

Requirements analysis/system design	$1,403,800
Pilot installation	252,600
Capital Projects	387,900
Post Installations	2,508,300
Quality Assurance	92,000
Cost Accounting	260,600
Management/Administrative	793,100
Expenses	504,700
TOTAL	$6,203,000

Surplus Property

Question 1:

What is the value of surplus property owned by the Department overseas?

Answer:

The Department does not presently have any property deemed to be surplus. We do have properties which are underutilized or in locations which are not suitable. In this regard, we developed a pilot project in Australia in which a property management firm analyzed our holdings and needs, then developed a long term plan to more effectively utilize our properties by selective sales, and to use the proceeds to purchase more suitable properties and renovate existing properties. We have also used this method in London and will evaluate the results for future use in other countries.

Question 2:

Please provide a list by location and value of such property.

Answer:

Since the Department does not presently have any property deemed to be surplus, no such list is available.

Question 3:

What are your plans for this property?

Answer:

Since the Department does not presently have any property deemed to be surplus, no plans are available.

Question 4:

Would you provide a list for the record of property disposed of in FY 1985 for each location and show the date acquired, cost, value of improvements, and proceeds from disposal.

Answer:

There were no real property diposals in FY 1985.

QUESTIONS FOR THE RECORD SUBMITTED BY MR. EARLY

Question 1:

I understand that the FY-86 Security Supplemental contains a request for 177 additional positions to implement the new building program recommendations.

(Part 1) Assuming the supplemental is passed, how soon does the Department expect to have these additional personnel on board?

(Part 2) Could you briefly describe how the internal organization of FBO will be accomplished?

Answer:

(Part 1) Recruitment and screening of applicants to fill the most needed roles in the Office of Foreign Buildings to support the supplemental program has already begun. As a result, our immediate needs for qualified personnel can be activated as soon as funding for the security construction program is made available. The mobilization of personnel will continue forward from that time until we have filled all of the requested positions.

(Part 2) The FBO internal reorganization is predicated on our plan to draw upon the expertise and the experience of the private sector, rather than seeking a major increase in our own personnel.

We expect to use the private sector to extend the FBO capabilities in the following general areas:

-- Program Management: to assist in the development of specialized design criteria and project requirements to conduct site feasibility studies and analysis, and for the development of an integrated management system to monitor and coordinate budgeting and scheduling restraints.

-- Design and Engineering Management: to assist in the acquisition of A/E services, review of scheduled design submissions and preparation of bidding documents for construction.

-- Construction Management: to assist in determining methods of construction, availability of materials and labor, and of other considerations impacting on the successful construction of the projects, in the solicitation and awarding of construction, material and equipment contracts, in the administration of contracts and provision of quality control/assurance.

-- Operations Management: to assist in the turnover, startup, operation and maintenance of completed facilities.

We will manage the private sector program managers through interdisciplinary project teams composed of skilled Departmental structural, mechanical, electrical, civil, security and communication engineers, architects, and contract specialists. Our first project team is staffed and is preparing the Request for Proposal for the first program manager.

The FBO team will assign tasks, monitor performance, review recommendations and work together with the program manager, who will, in effect, provide not only an extension of the skills already available within the Department, but also other expertise to permit us to ensure the projects are designed and built on schedule and within budget.

Question 2:

I am pleased to see that additional funds for project supervision--to assure that all major construction projects have a manager on site at all times--are included in the new security package.

How long do you expect it will take FBO to develop and implement a program to further the training and assistance given these project managers?

Will private industry be involved at all in project supervision or in the development of this training program?

Answer:

It will take four to six months to develop and implement a program to assist project managers. Private industry will play a major and critical role in both the training and project supervision aspects of this program.

Question 3:

What is the definition or difference in the terms "renovation" as opposed to "rehabilitation" that appear throughout your budget justifications?

Answer:

The two terms are used interchangeably to mean upgrading facilities to meet security and other fire/safety standards established by the Department.

Question 4:

I understand that security supplementals totalling $175,511,000 were approved for FBO in FY 1985 for 13 urgent security related projects. Has all this money been expended?

What is the status of site negotiations with Kuwait and Damascus?

Answer:

To date $38,383,000 has been obligated on eleven projects. By the end of this year we expect to have obligated $145 million.

Kuwaiti law restricts the size of land parcels in the diplomatic enclave. This is the only area in which foreign governments may acquire real property. These sites are approximately one-third the size that we require. We have asked the GOK to induce the Kuwaiti Parliament to change the site size limitation in order to give us an adequate site on which to construct a new chancery meeting present security criteria.

The Syrian Government would not allow us to build on a site which was acquired prior to the 1967 Arab-Israeli war. With the assistance of the Ministry of Foreign Affairs, the Embassy has recently identified four alternate sites which are currently under evaluation.

Question 5:

What is the status of the Turkey, Istanbul project? Why, unlike most of the other projects, is it spread out over three fiscal years?

Answer:

In contrast to other projects, costs for the Istanbul project had to be spread over three fiscal years so that the sum of individual project costs, by year, conformed to overall fiscal year funding levels approved by OMB.

Question 6:

What is the status of the Cairo Chancery project? Has a new contractor been found?

What actions has the Department taken against Kramico--the Swiss/Egyptian Company that reneged on their contract?

Answer:

The Cairo Chancery project is approximately 15% complete, and a contract with a new American contractor, Kajima International, was signed on February 28, 1986. The notice to proceed with construction was issued to Kajima on March 27, 1986. Completion is scheduled for March 1988.

Immediately upon termination of Kramico's contract for default on January 13, 1985, the Department called upon the bank guarantee furnished on behalf of Kramico by the Egyptian American Bank in Cairo. On January 14, 1985, the bank issued checks in favor of the Department in the total amount of $3,111,980. Although this sum leaves a substantial balance in the damages owed by Kramico to the Department, it does represent a substantial recovery. The bank has demanded return of this sum in a second lawsuit in the U.S. Claims Court, and the Departments of State and Justice are cooperating in the handling of this litigation as well.

In addition to recovering the bank guarantee, the Department is engaged in litigation with Kramico in the United States Claims Court. The U.S. Department of Justice is responsible for prosecuting the case and the Department of State is affording all such assistance to the Department of Justice as is required to bring the case to a favorable conclusion.

Question 7:

Also included in the FY'85 Security Supplemental was $20,068,000 for the Moscow Embassy Complex to meet contractor delay claims and to continue the project through completion. What is the status of this project?

Answer:

Housing Units 1 and 2 and the Marine Guard House will be completed in July 1986. Housing Units 3 and 4 and the Consular building will be completed in October 1986. The Concourse will be completed in December 1986.

Work on the Chancery has been delayed as a result of our eviction of the Soviet contractor and laborers from the project. The present schedule calls for completion of the work on the Chancery by cleared American contractors and labor in mid 1988.

Question 8(a):

Included in your FY 87 request is $30,648,000 for security enhancement requirements at several USIA posts and VOA relay stations abroad. How many terrorist threats were made at USIA facilities in 1985?

Answer:

During CY 85 USIA catalogues 66 significant security incidents affecting its personnel and facilities abroad. Of these incidents, four included threats, 12 demonstrations, two attacks on facilities, two stonings of buildings, 12 bombings, one arson incident, two takeovers of buildings, two burglary/ thefts, four personal thefts, 20 bomb threats and 5 incidents which fall into other categories.

The statistics disclose that the Latin American geographic area consistently catalogued the most violence, and most of that was in the form of explosive or incendiary devices. Ten of the thirty-two AR incidents in 1985 were actual bombings, with three resulting in injuries. A night watchman was killed at the BNC in Barranquilla, two security guards were injured at the BNC in Cali and another guard was injured at the BNC Guayaquil.

The Binational Centers in Latin America continued to show a dramatic increase in bombings, bomb threats, and demonstrations. This includes those centers with official as well as unofficial Americans This increase could have resulted from enhanced security around official U.S. Government facilities; Binational Centers may, therefore, be perceived as more accessible targets.

Question 8(b):

Do you believe that the security situation at any USIA facility has become so grave as to preclude accomplishment of USIA mission without taking unacceptable risks? If so, where?

Answer:

Both USIA and the Department closely monitor the security situation at USIA's posts located in the most threatened areas to continually assess the threats against its personnel and facilities. In cases where the threat has been determined to be so serious as to critically endanger the lives of USIA's Foreign Service Officers, those posts have been closed and the officers withdrawn. These extreme measures were taken in 1983 at Medellin and Cali, Colombia when local terrorist conditions warranted such action. It was determined that despite increased physical security measures at these branch posts, the continued safety of those officers could no longer be expected.

More recently, USIA opted to not replace its Public Affairs Officer assigned to Beirut in December, 1984, when the incumbent's tour ended. Because of the security situation in Lebanon, program opportunities are limited, and there is currently no requirement for the presence of a USIA official American there. USIS Beirut continues to function, however, but at a greatly reduced program level and under extraordinarily difficult conditions. The scaled-down USIA operation is now run by foreign service national employees under the supervision of American State Department officers, and the number of local employees has been cut from eleven to seven. When conditions improve, USIA will rebuild the program with its in-place experienced local personnel.

To a somewhat lesser extent, local USIA programs have been affected by terrorist threats elsewhere, and when conditions are deemed too dangerous for visiting performers, speakers, or other USIA-sponsored visitors, such activities are temporarily curtailed. Such a situation prevails now in Lima, Peru, where the U.S. Mission's Emergency Action Committee and the Public Affairs Officer determined that some planned, publicized visits under USIA auspices should be cancelled due to the threats from indigenous terrorist groups. When a reevaluation of the situations determines that such programming is safe, USIA will resume its normal activities in this area.

Question 9:

Overall, it is my understanding that this security package is designed to maximize the participation of US firms and industry.

Will the ~~Army~~ Corps of Engineers be involved in any of these construction projects as well?

Answer:

The Office of Foreign Buildings has met on several occasions with the Corps of Engineers to discuss how it might be involved in this construction program. We have offered to use qualified Corps personnel to meet our increased staffing requirements, particularly for construction project engineers. The Corps will be included among those organizations invited to respond to the RFP for Program Management services, which we expect to release soon. The Corps response will be evaluated under the same criteria used to evaluate responses from firms in the private sector. While we are aware of the Corps' interest in assisting on the program, there are some formidable built-in problems with the idea of effectively implementing a major construction program through the layering of two government bureaucracies which operate under different legislative authority, differing contract and procurement regulations and different management structures.

Further, the State Department is accountable to the President and the Congress for effective management, control and implementation of the security construction program. It cannot transfer that responsibility to another government agency.

QUESTIONS FOR THE RECORD SUBMITTED BY MR. CARR

Question 1:

You have requested funds in the FY'86 supplemental as well as your FY'87 budget for the Overseas Building Program. Please explain how the program would be impacted if the supplemental request is not approved by Congress?

Answer:

Any further delays in enactment of the Security Supplemental will lenghten the period of vulnerability at posts selected for construction to new security standards. The supplemental is needed to fund additional security driven costs of ongoing projects as well as new requirements. The effect on the ongoing projects would be to delay those which have been put out to bid because all bid documents will have to be withdrawn, redone, and reissued at a later date. Seven major construction projects are scheduled to be awarded between now and July 1986.

In addition, if there is a long delay, the cost of the projects will increase due to inflation. There will be a major interruption in the organizational arrangements underway to implement the security construction program and consequently, the likelihood of completing the program within the desired timeframe will be reduced.

Question 2:

It is my understanding that you plan to have the building program managed by the private sector. Please elaborate on this concept.

Answer:

We want to draw upon the expertise and the experience of the private sector, rather than seek a major increase in our own personnel, to ensure that our proposed security construction program proceeds on time and within budget.

We expect to use the private sector to extend the FBO capabilities in the following general areas:

-- Program Management: to assist in the development of specialized design criteria and project requirements, conduct site feasibility studies and analysis, and for the development of an integrated management system that can monitor and coordinate budgeting and scheduling restraints.

-- Design and Engineering Management: to assist in the acquisition of A/E services, review of scheduled design submissions and preparation of bidding documents for construction.

-- Construction Management: to assist in determining methods of construction availability of materials and labor and of other considerations impacting on the successful construction of the projects. in the solicitation and awarding of construc- tion, material and equipment contracts, in the administration of contracts and provision of quality control/assurance.

-- Operations Management: to assist in the turnover, startup, operation and maintenance of completed facilities.

Question 3:

Is it your intention to make multiple awards for the industry program management? If so, how would the Foreign Buildings Office manage multiple program managers? Will this make your management process more difficult? What is your time frame for making these awards?

Answer:

We intend to use more than one private sector program manager. We will manage them through our interdisciplinary project teams composed of skilled departmental structural, mechanical, electrical, civil, security, and communication engineers, architects, and contract specialists. Our first team is staffed and is preparing the Request for Proposal for the first program manager.

The FBO team will assign tasks, monitor performance, review recommendations and work together with the program manager, who will provide not only an extension of the skills already available within the Department, but also other expertise to permit us to ensure the projects are designed and built on schedule and within budget.

We do not believe it will be more difficult to manage more than one program manager. The first program manager will assist us in establishing the standards, criteria and reporting mechanisms which will then be used by all subsequent program management teams. Selecting more than one will also provide us with greater flexibility and will reflect the funding stream approved by Congress.

The Request for Proposal for the first program manager will be released in April. It is anticipated that the award will be made in September.

Question 4:

Who arranges for transportation of supplies for the Security program? - both domestically and internationally? Is it contracted out? Does the contractor or the State Department handle the transportation of these supplies (such as lumber, furniture, machinery, etc.)

Are there any Buy America provisions in transporting goods? In other words, must U.S. trucks and equipment be used?

Answer:

All classified or sensitive equipment and materials are furnished by the Department. The transportation of government furnished materials (GFM) is arranged directly by the Department. All highly classified material is shipped either by diplomatic courier or pouch. Less sensitive equipment provided as GFM is transported commercially to one of the four U.S. Despatch agencies for shipment to the project site in sealed containers. The Despatch Agencies are offices of the Department located in New York, Baltimore, Miami, and San Francisco. The General Contractor is responsible for the transportation of all materials used in the construction project except for those which have been identified as Government Furnished Materials (GFM).

The Department complies with the requirement to use U.S. Flag ships and air carriers for the materials shipped through the Despatch Agencies. The provision for use of American Flag ships and air carriers is included in each construction contract awarded and the contractors are monitored for compliance by the Maritime Administration. However, there is no requirement that the vehicles used for transport be of U.S. manufacture.

Question 5:

I understand that the Army Corps of Engineers is interested in performing this rebuilding effort. What is your view of the Corps of Engineers and their ability to perform the work for the State Department?

Answer:

The Office of Foreign Buildings has met on several occasions with the Corps of Engineers to discuss how it might be involved in this construction program. We have offered to use qualified Corps personnel to meet our increased staffing requirements, particularly for construction project engineers. The Corps will be included among those organizations invited to respond to the RFP for Program Management services, which we expect to release soon. The Corps response will be evaluated under the same criteria used to evaluate responses from firms in the private sector. While we are aware of the Corps' interest in assisting with the program, there are some formidable built-in problems with the idea of effectively implementing a major construction program through the layering of two government bureaucracies which operate under different legislative authority, differing contract and procurement regulations and different management structures.

Further, the State Department is accountable to the President and the Congress for effective management, control and implementation of the security construction program. It cannot transfer that responsibility to another government agency.

MONDAY, MARCH 17, 1986.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

WITNESS

ROBERT E. LAMB, DIRECTOR, BUREAU OF DIPLOMATIC SECURITY

Mr. SMITH. Our last item today is the FY 1987 budget request entitled, "Protection of Foreign Missions and Officials." The request is for $10,300,000 which is an increase of $1,209,000 above the appropriation for FY 1986, adjusted for sequestration under Public Law 99-177.

We shall insert the justifications submitted in support of this request at this point in the record.

[The justification material follows:]

Protection for Foreign Missions and Officials

Balanced Budget and Emergency Deficit Control Act of 1985

($000 in thousands)

1986 Enacted	1986 Sequestered	1986 Revised
$9,500	-$409	$9,091

-PROGRAM, PROJECT, ACTIVITY DETAIL-

Appropriation	1986 Appropriation	1986 Sequester	1986 Revised
Protection of Foreign Missions and Officials of the United Nations	$7,000	-$301	$6,699
Protection Throughout the United States	2,500	-108	2,392
Appropriation Total	$9,500	-$409	$9,091

The information presented above represents the Program, Project or Activities (PPA) and amounts for this appropriation identified in the Presidential order issued February 1, 1986. The amounts reflect the application of the 4.3% reduction to each affected PPA without regard to the current status of funds for specific PPA's. In some instances, funds may have been previously obligated and/or disbursed. In these situations, appropriate action will be taken to assure that adequate funds are available when the President's order becomes effective on March 1.

In the document that follows, the 1986 column reflects amounts appropriated by Congress. The effects of the 1985 Deficit Reduction Act were not received in time to be incorporated within individual budget units.

Protection of Foreign Missions and Officials

For expenses, not otherwise provided, to enable the Secretary of State to provide for extraordinary protective services in accordance with the provisions of [section 605 of Public Law 98–164] *section 214 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4314),* and to provide for the protection of foreign missions in accordance with the provisions of 3 U.S.C. 208, [$9,500,000] *$10,300,000. (Department of State Appropriation Act, 1986.)*

Protection of Foreign Missions and Officials

FY 1987
Summary Statement

(dollars in thousands)

1985 Actual		1986 Estimate		1987 Request		Incr./Decr. (-)	
Position	Funds	Position	Funds	Position	Funds	Position	Funds
--	$9,500	--	$9,500	--	$10,300	--	$800

I. Summary

The Office of Diplomatic Security administers the Department's programs for protection of foreign missions and officials throughout the U.S. and foreign missions and officials accredited to the United Nations and other international organizations.

These programs fulfill our obligations under the Vienna Conventions and other international treaties for the protection of foreign officials. The objectives of the programs are to provide routine protective security support to foreign diplomatic and consular establishments and accredited personnel; in cases of extraordinary need, to provide direct assistance and/or secure police or private firm-sponsored protective support to foreign missions and officials; and in connection with official functions of international organizations in the U.S., to administer funds used to reimburse state and local police departments for the extraordinary protection of foreign missions and officials.

II. Current Programs

The current base for extraordinary protection of foreign missions and officials in states and cities throughout the U.S. (except embassies in Washington, D.C., which are covered by the Secret Service) is $2.5 million. Under the authority of the Foreign Missions Act of 1982, extraordinary protection for foreign diplomats and their facilities is presently being arranged where necessary, either at the request of a foreign mission or by the initiative of the Secretary of State. This authority permits the Department to use its resources, those of state and local governments or private security firms.

The authority for the Department to reimburse New York City for the protection of foreign missions and officials accredited to the U.N. and other international organizations is contained in PL 94-196. Currently, the base for this program is $7 million.

Protection of Foreign Missions and Officials

FY 1987
Justification of Program Activities

Executive Direction and Policy Formulation

	Positions American	Positions FSN	Funds (in thousands
1987 Request................................	--	--	$10,300

Under international law, the United States is obligated to assure reasonable security for foreign missions and personnel in the United States. The degree to which we provide protection to foreign officials directly corresponds to our ability, through reciprocity, to obtain adequate security for our diplomats and facilities abroad.

In fulfillment of its responsibilities as a signatory to the Vienna Diplomatic Relations (1961) and Consular (1963) Conventions, the Department administers two reimbursement programs established to protect foreign missions and officials accredited to the United Nations and the reimbursement program for the protection of foreign missions and officials throughout the United States. These programs do not establish any entitlements for any state or local recipient. A description of each program follows:

Protection of Foreign Missions and Officials Accredited to the United Nations $7,600,000

The Department's authority to reimburse New York City for the protection of foreign missions and officials accredited to the United Nations and other international organizations is contained in Public Law 94-196. These funds provide for reimbursement up to this amount to the New York City Police Department for static guard posts and security escort and motorcade services to the foreign missions and personnel assigned to the United Nations.

Extraordinary Protection of Foreign Missions and Officials Throughout the United States $2,700,000

Under the Foreign Missions Act of 1982, extraordinary protection for foreign diplomats and their facilities throughout the United States can be arranged, where necessary, either at the request of a foreign mission or by the initiative of the Secretary of State. This authority also permits the Department to use its own resources to assist in the protection of foreign missions and officials throughout the United States. Further, in those instances in which state and local authorities can not provide the protection required, the Foreign Missions Act enables the Department to employ the services of private security firms.

Protection of Foreign Missions and Officials

FY 1987
SUMMARY OF CHANGES

	POSITIONS				FUNDS
	Americans			Total	($ in thousands)
	Dom.	Ovseas	FSNs	Pos.	Total Funds
1986 Estimate......................	--	--	--	--	$9,500
Built-In Changes					
1987 Price Increases					
Domestic.......................	--	--	--	--	800
1987 Current Services..............	--	--	--	--	10,300
1987 Request (Budget Authority)....	--	--	--	--	10,300

Protection of Foreign Missions and Officials

Explanation of Requirements

PRICE INCREASE

Price Increase, $800,000. A price increase of $800,000 for the services provided under the Protection of Foreign Missions and Officials appropriation is projected in FY 1987. This increase is estimated to be $600,000 for the protection of foreign missions and officials at the United Nations and $200,000 for the protection of foreign missions and officials throughout the U.S.

Protection of Foreign Missions and Officials

FY 1987
REQUIREMENTS BY OBJECT CLASS
(dollars in thousands)

Object class	1965 Actual	1986 Estimate	Current Services Adjust	Current Services	Program Changes	1987 Request	1987 Inc/Dec Ovr 1986
Travel & Trans....	$10	$10	--	$10	--	$10	--
Other Services....	9,490	9,490	$800	10,290	--	10,290	$800
TOTAL BUDGET AUTH.	9,500	9,500	800	10,300	--	10,300	800

Mr. SMITH. Mr. Lamb, we shall insert your prepared statement in the record and then ask you some questions.

[Mr. Lamb's prepared statement follows:]

DEPARTMENT OF STATE
1987 BUDGET ESTIMATES
PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

STATEMENT OF
ROBERT E. LAMB
DIRECTOR, BUREAU OF DIPLOMATIC SECURITY

BEFORE

THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS

FOR

COMMERCE, JUSTICE, STATE, THE JUDICIARY AND RELATED AGENCIES

MARCH 17, 1986

Mr. Chairman and Members of the Committee:

I am pleased to appear before this Committee to discuss the Protection of Foreign Missions and Officials Appropriation. United States efforts to meet our obligations under the Vienna Diplomatic and Consular Conventions are administered by the Bureau of Diplomatic Security. The appropriation request under consideration today relates to expenses incurred by the Department in providing adequate security to foreign missions and personnel in the U.S. Enhanced security is provided either directly by the Department, through contracts with security professionals or, in the great majority of cases, through reimbursement to state and local law enforcement agencies throughout the country. For 1987, we are requesting $10.3 million, this is $800,000 more than the 1986 level and is attributable to increased costs and an anticipated increase in the utilization of security services.

The Bureau of Diplomatic Security currently administers two programs funded through the Protection of Foreign Missions and Officials Appropriation. Both programs were established to provide extraordinary protection when needed, to foreign missions and personnel in the United States. It must always be borne in mind that the degree to which we protect foreign officials in this country directly relates to our ability to obtain adequate security for our diplomats and facilities abroad. We must do all we can to ensure that foreign facilities and personnel are adequately protected because this directly affects the level of protection foreign governments provide to American officials abroad.

The first program concerns protection of foreign missions and officials accredited to the United Nations and diplomatic activities in connection with the United Nations. For 1987, we are requesting $7.6 million for this effort, an increase of $600,000 over the 1986 level. The Department's authority to provide the protection, primarily through reimbursement to New York law enforcement agencies, is contained in Public Law 94-196. These funds provide for reimbursement for special security in areas such as static guard posts and security to the foreign missions and personnel assigned to the United Nations.

The resources used in these efforts are quite large, and in fact considerably exceed the amount of reimbursement annually. For example, during the time of the last U.N. General Assembly, the Department worked closely with the New York Police Department on the security arrangements provided to over 100 foreign dignitaries and the various heads of state appearing at the General Assembly.

The second program relates to the extraordinary protection of foreign missions and officials throughout the United States. For 1987, we are requesting $2.7 million for this activity, an increase of $200,000 over the 1986 level. The Foreign Missions Act provides the Secretary with the authority necessary to provide protection to foreign missions when made necessary by an extraordinary threat situation. We are working closely with state and local law enforcement authorities to ensure that this program is properly implemented. To that end we were proud to host the chiefs of the country's largest 20 police departments last September at a signing ceremony in the Department that ratified our mutual commitments to this program.

Under the terms of the Foreign Missions Act the Secretary may authorize the reimbursement of expenses to state and local police authorities for agreed to extraordinary protective services at foreign mission facilities. For example, last month such arrangements were made with the cities of Boston, Miami, San Francisco and Seattle in connection with threats to Haitian and Philippine consulates. This year has also witnessed increased security needs for the Consulates of Israel, South Africa and India. Also, the Department is currently funding, through contract, full time protective services for the Turkish Consul General in Los Angeles.

This concludes my statement. I would be pleased to respond to any questions you or members of the committee may have.

REIMBURSEMENT PROCEDURE

Mr. **Smith**. The concern that this subcommittee has had for several years is that there seems to be no limit to the amount of money that can be spent in this area. Numerous local officials are bound to request millions of dollars. We have been trying to keep a cap on the program. In fact, we didn't want to get started until we had specific authorization. How much are we spending this year on this?

Mr. **Lamb**. We have $9.5 million this year that we will be spending on this.

Mr. **Smith**. What about additional requests; are you experiencing a lot more requests for money?

Mr. **Lamb**. It is increasing a little bit. We had a spate of requests to protect Haitians. We now have a group of requests to provide extaordinary protection for the Filipinos. In 1985 we reimbursed seven jurisdictions. In 1986 we reimbursed nine jurisdictions mainly because of the Haitians. I think that what we have asked for in 1987 in the budget is an increase of $800,000, which is due mainly to inflation although there is some program increase in it.

Mr. **Smith**. It is $800,000, it is pointed out to me, over last year, but that would mean you wouldn't take any reduction for sequestration.

Mr. **Lamb**. Yes.

Mr. **Smith**. Are these foreign governments sending as many people over here to as many different cities as they have in the past?

Mr. **Lamb**. This request is for protecting the consulates and the foreign diplomats that are assigned here.

Mr. **Smith**. You don't have any control over how many they assign here and where they send them?

Mr. **Lamb**. No, sir, we really don't, but what we do is reimburse the jurisdiction it has a really good case. We screen the requests fairly carefully, and we just provide the protection when we think it is really needed. For example, Haitian protection has all been lifted. It was just temporary.

Mr. **Smith**. How can you really know whether or not it is needed? How many representatives does the British Government have over here?

Mr. **Lamb**. I don't know how many they have.

Mr. **Smith**. It is numerous?

Mr. **Lamb**. Yes, sir, it is.

Mr. **Smith**. Can you really say that there isn't any danger for any of them?

Mr. **Lamb**. We are providing protection for the Turks in Los Angeles only right now, under this program.

Mr. **Smith**. That is where they had some violence?

Mr. **Lamb**. Yes, sir.

Mr. **Smith**. It is just as well they could have had that violence in Chicago.

Mr. **Lamb**. The Haitian one is a good example. In Miami the city was about to evict the Haitians, and we had protection put on them down there, and kept them from throwing out the Haitian consul, which would really have been quite a problem for us. I think that we have used the program judiciously. We are not planning a big increase next year. The cost, for example, is what we think is just inflationary, for the most part. The New York Police Department, for example, got over a 6 percent pay raise last year.

Mr. **Smith**. This appropriation we are talking about is separate and apart from the U.N. protection, is it, or is this included?

Mr. **Lamb**. This is both. The U.N. is——

Mr. **Smith**. How much of this is U.N.?

Mr. **Lamb**. U.N. is $7.6 million.

AUTHORIZATION

Mr. **Smith**. What is authorized for this program?

Mr. **Lamb**. I believe the full amount, sir, that we are requesting.

Mr. **Smith**. You are up to the full amount authorized?

Mr. **Lamb**. Yes, sir.

Mr. **Smith**. Is there a separate authorization for this?

Mr. **Lamb**. I thought initially there was. I don't know. We will have to provide that.

Mr. **Feldman**. Mr. Chairman, you may recall that the Treasury Department used to pay New York under its appropriation bill for the reimbursement for the costs incurred in protecting the missions in New York. That was transferred and consolidated with our appropriation. There were two parts. We had the protection of the foreign missions throughout the rest of the country, and they had to protect the reimbursement to the City of New York, and that was consolidated into this one bill.

Mr. **Smith**. Apparently the authorization doesn't separate this out. It is a separate item in our appropriations bill.

Mr. **Lamb**. Yes, Mr. Chairman.

Mr. **Smith**. For the reason if we don't there will be pressure on you all the time to make a grant to some city. That is what it amounts to. You can always find a reason why you should make a grant, if somebody makes that decision, so I assume that this program will be kept as a separate line item, so we can keep a cap on it.

Mr. **Lamb**. I believe there are some legal restraints too, sir.

Mr. **Smith**. It is still a matter of judgment, and in an election year sometimes judgments change.

Mr. **Lamb**. Yes, sir.

Mr. **Smith**. Do you have any more questions, Mr. Rogers?

Mr. **Rogers**. No.

Mr. **Smith**. We will put the rest of our questions in the record. Thank you.

[The questions and the answers submitted for the record follow:]

QUESTIONS FOR THE RECORD SUBMITTED BY MR. SMITH

Reimbursement of Jurisdiction

Question:

1. How do you determine when a jurisdiction should be reimbursed and the size of reimbursement under the program for local jurisdictions?

Answer:

A copy of our established guidelines for reimbursement is attached. Basically, assistance which exceeds that which is considered normal police functions, is considered "Extraordinary", and subject to reimbursement to the local jurisdiction. We negotiate with local jurisdictions an agreed hourly rate for "Extraordinary" Protection, the circumstances under which this service will be compensated and the billing procedures. Our reimbursements are consistent with the published guidelines and the congressionally mandated limitations on the percent of the total funds available to any jurisdiction.

DEPARTMENT OF STATE GUIDELINES ON PROTECTION OF FOREIGN MISSIONS

2a.1 Purpose.
2a.2 Definitions.
2a.3 Bureau of Diplomatic Security Programs.
2a.4 Coordination with Law Enforcement and Intelligence Agencies.
2a.5 Diplomatic Reciprocity.
2a.6 Location of Foreign Missions.
2a.7 Provision of Protective Services Generally.
2a.8 Requests from State and Local Governments for Protective Assistance.
2a.9 Provision of Protective Services in Cases of Extraordinary Protective Need.
2a.10 Reimbursement for Protective Services Provided by State and Local Authorities.
2a.11 Special Rules for Reimbursement.
2a.12 Extraordinary Protective Services in Cases of Urgency.
2a.13 Protective Security Contract Services.
2a.14 Foreign Missions Act Determination.
2a.15 Supplementary Guidelines; State and Local Agreements; Forms.
2a.16 Effective Data; Retroactive Application.

Incorporated into Part 2A, Chapter I, Title 22 (Foreign Relations), "Code of Federal Regulations."

26 SEP 1985

Authority: Title II of the State Department Basic Authorities Act of 1956, added by the Foreign Missions Act of 1982 (Pub. L. 97-241,96 Stat. 273, 282), 22 U.S.C. 4301 - 4313; the Foreign Missions Amendments Act of 1983 (Pub. L. 98-164, section 605, 97 Stat. 1017, 1044); Title III, U.S. Code, sections 202 and 208, as amended (Pub. L. 97-418, 96 Stat. 2089); Executive Order No. 12478, effective October 1, 1984; and Sec. 4, 63 Stat. 111, as amended (22 U.S.C. 2658).

2a.1 Purpose

The purpose of these guidelines is to establish a program administered by the Bureau of Diplomatic Security of the Department of State, under which the Department can review and promote coordination between federal, state and local security authorities in the protection of foreign missions in the United States, and can assist in the provision of protective services for such missions. State and local governments of the United States will continue to have the primary responsibility for law enforcement within their respective jurisdictions. This program does not establish any legal entitlement to assistance either for a foreign mission or for any State or local government or authority. The Bureau of Diplomatic Security will maximize available federal assistance through coordination of programs and through limited federal financial assistance by contract or reimbursement for certain protective services in cases of extraordinary protective need, to the extent funds are available therefore.

This program will assist the United States to carry out its international obligations relating to the protection of foreign diplomatic and consular and international organization personnel and premises in the United States under the Vienna Convention on Diplomatic Relations (23 UST 3227, TIAS 7502), the Vienna Convention on Consular Relations (21 UST 77, TIAS 6820), the Convention on the Prevention and Punishment of Crimes Against Internationally Protected Persons, Including Diplomatic Agents (28 UST 1975, TIAS 8532), the Convention to Prevent and Punish Acts of Terrorism (27 UST 3949, TIAS 8413), international agreements relating to organizations such as the United Nations Headquarters Agreement (61 Stat. 3416, TIAS 1899 (Pub. Law 80-357), and other applicable multilateral and bilateral agreements and provisions of international law.

The program will include the following --

(A) Foreign Missions, generally - Extraordinary protective services may be provided directly through the Department of State, or by reimbursement for services to state and local governments or contract;

(B) Missions to International Organizations - Extraordinary protective services may be provided by reimbursement to State or local officials, to missions to certain international organizations, such as the United Nations, under title 3 of the U.S. Code, 202 and 208.

The provisions of these guidelines may be applied to protective assistance under both (a) and (b) above, unless otherwise stated therein or separate standards or criteria are required by applicable law. Supplementary guidelines may be issued by the Department of State from time to time in order to implement these guidelines in particular jurisdictions. This part is authorized by the Foreign Missions Act of 1982 (Pub. L. 97-241, 96 Stat. 273, 282), the Foreign Missions Amendments Act of 1983 (Pub. L. 98-164), title 3, secs. 202 and 208 of the U.S. Code, and Executive Order No. 12478.

2a.2 Definitions.

For purposes of these guidelines --

(A) "Assistant Secretary" means the Assistant Secretary of State for Administration.

(B) "Deputy Assistant Secretary" means the Deputy Assistant Secretary of State for the Diplomatic Security Service; any authority granted the Deputy Assistant Secretary under these regulations may be exercised by the Assistant Secretary as appropriate.

(C) "Foreign mission" or "foreign diplomatic mission" means

(1) any mission in the United States involving diplomatic, consular, or other governmental activities of a foreign government or an organization representing a territory or political entity which has been granted diplomatic or other official privileges and immunities under the laws of the United States, or

(2) any public international organization designated as such pursuant to the International Organizations Immunities Act (22 U.S.C. 288-288f) or a public international organizational agreement as an instrument through or by which two or more foreign governments engage in some aspect of their conduct of international affairs, or

(3) an official mission to a public international organization described in subparagraph (c) (ii) of this section,

including any real property and personnel of such a mission or public international organization.

(D) "Protective service" means law enforcement and security measures employed to assure proper functioning of diplomatic activities and to prevent injury or harm to personnel or facilities of foreign missions.

(E) "Extraordinary protective need" means the existence of a threat of violence, or other circumstance, as determined by the Deputy Assistant Secretary which requires extraordinary security measures which significantly exceed those which law enforcement authorities can reasonably be expected to take.

(F) "Extraordinary protective services" means protective services provided or authorized in cases determined under these guidelines to constitute an extraordinary protective need.

(G) "Metropolitan area" means a city, county, or other political subdivision of a State, and those areas related thereto determined by the Deputy Assistant Secretary to constitute a single protective area for purposes of these regulations.

(H) "State" means a state of the United States, the District of Columbia, Puerto Rico, Guam and all territories under the jurisdiction of the United States.

(I) "United States Mission" means the official US government mission to a public international organization, such as the United States Mission to the United Nations ("USUN").

Determinations with respect to the meaning and applicability of terms used in the Foreign Missions Act and under these regulations are committed to the discretion of the

Secretary of State.

2a.3 Bureau of Diplomatic Security Programs

(A) The Bureau of Diplomatic Security will be responsible, in coordination with United States Missions as appropriate, for implementing through its constituent field offices upon request and subject to availability of resources, foreign mission security programs including, but not limited to:

(1) Assessment of available federal, state and local protective resources for a particular jurisdiction, taking into account the number of foreign missions and circumstances specific to each jurisdiction;

(2) Assistance in planning and coordinating the provision of protective security; and

(3) Regulatory functions otherwise required by these guidelines

(B) The Protective Liaison Division (DS/PT/PL) will be the office responsible for the overall coordination of this program. Information of a potential threat to a foreign diplomatic establishment or personnel will be received and evaluated for purposes of these guidelines from:

(1) U.S. intelligence or law enforcement agencies;

(2) State or local law enforcement agencies.

(3) Bureau of Diplomatic Security Field Offices, Threat Analysis Division and Regional Security Offices;

(4) Department of State country desk offices and other appropriate regional offices, United States Missions, the Office for Counter-terrorism and Emergency Planning, the Office of Foreign Missions, and the Bureau of Intelligence and Research;

(5) Foreign diplomatic establishments;

DS/PT/PL will evaluate this information in concert with the Threat Analysis Division and recommend to the Deputy Assistant Secretary the appropriate level of protective coverage required, to be reviewed daily or as required.

(3) Bureau of Diplomatic Security Field Offices, together with the appropriate United States Mission, will be responsible for the foreign diplomatic establishments in their area of jurisdiction. The Field Offices will institute necessary procedures and practices in regard to the protection of foreign

missions and officials. Each Field Office will designate an agent as Security Coordinator who will be responsible for primary coordination with DS/PT/PL, the Consular community, local law enforcement and private security firms.

2a.4 Coordination with Law Enforcement and Intelligence Agencies.

(A) In order to coordinate and allocate their respective agency resources, the Deputy Assistant Secretary shall consult regularly with federal law enforcement and intelligence agencies, including the Federal Bureau of Investigation and the United States Secret Service, concerning assistance programs under these guidelines. Nothing in these guidelines shall preclude or limit the authority of the United States Secret Service to provide protective services pursuant to 3 U.S.C. 202 or 18 U.S.C, 3056 at a level commensurate with protective requirements as determined by the Secret Service.

(B) The Deputy Assistant Secretary shall consult and coordinate with state and local law enforcement agencies with respect to such matters as planning for foreign mission protection, communications coordination, and federal assistance under this part.

2a. 5 Diplomatic Reciprocity.

(A) The Deputy Assistant Secretary shall coordinate any request by a foreign mission or by a state or local government for assistance under these guidelines for the provision of protective services with the Director of the Office of Foreign Missions of the Department of State. OFM shall review the treatment accorded United States missions abroad, and make recommendations with respect to the impact of any such services provided under these guidelines on reciprocity and national security interests of the United States.

(B) No act or omission by any governmental authority under these guidelines shall be construed either as limited or as establishing in any way the entitlement of any person, property, premises, or mission to any privileges or immunities otherwise granted or denied under applicable law.

2a.6 Location of Foreign Missions

The Deputy Assistant Secretary shall review with the Director of the Office of Foreign Missions all existing and proposed locations of foreign missions, including, but not limited to any notification under the Foreign Missions Act to the Director by a foreign mission of a proposed acquisition, modification or use of real property. In coordination with a United States mission to an international organization, as appropriate, and with local authorities in all cases, this review shall cover security factors related to such locations, such as the availability of local resources with respect to particular locations, and whether such location might preclude adequate protection, or could result in excessive requests for assistance in providing protective services under these guidelines.

The Deputy Assistant Secretary shall in appropriate cases recommend to the Director of the Office of Foreign Missions that a proposed acquisition or existing use by a foreign mission be disapproved, or conditions be attached thereto under authority of the Foreign Missions Act (22 U.S.C. 4304 and 4305) to facilitate the rendering of appropriate protection.

2a.7 Provision of Protective Services Generally.

State and local governments of the United States have as a part of their normal law enforcement functions the responsibility to provide security to persons or property within their jurisdictions, to include foreign missions. Federal assistance intended to supplement state and local protective services shall be in accordance with these guidelines or otherwise as authorized by law.

2a.8 Request from State and Local Governments for Protective Assistance

(A) In cases where (1) a State or local authority or (2) a foreign mission believes that an extraordinary protective need exists, it may request assistance from the Department of State in providing protective services. The Bureau of Diplomatic Security may request that protective services be provided. Requests shall be made to the Deputy Assistant Secretary (Diplomatic Security), Department of State, Washington, D.C. 20520 directly or through designated Bureau of Diplomatic Security Field Offices, or through a United States Mission if appropriate. A request under this paragraph, except as provided in section 2a.12 of these guidelines shall follow the format set out in Appendix I to these guidelines and shall:

(1) be preceded by consultation between State or local authorities and the appropriate Bureau of Diplomatic Security Field Office, as well as the United States Mission, as appropriate;

(2) if related to a scheduled event or visit, be submitted in advance of the anticipated extraordinary protective need;

(3) contain sufficient detail to allow the Deputy Assistant Secretary to make an informed determination of extraordinary protective need, including: the location of the foreign mission(s) or activities, together with any secondary locations involved; a description of the circumstances believed to give rise to the extraordinary protective need, including, in

the case of a diplomatic visit, the name and title of the visiting foreign official or dignitary, the temporary domicile(s) of the visiting official or dignitary, and anticipated schedule in the United States;

(4) if from a state or local agency, include a detailed estimate of the resources required to provide protective services commensurate with extraordinary protective need (including approximate number of personnel by grade or rank, services, equipment and facilities), and an estimate of the cost of such resources; and

(5) be accompanied by a security review by the appropriate Bureau of Diplomatic Security Field Office or by the United States Mission to an international organization.

(B)(1) In all cases involving requests for assistance in providing extraordinary protective services, except for as provided in section 2a.13, the Deputy Assistant Secretary, in consultation with the United States Mission where appropriate, shall determine whether, for purposes of these guidelines, assistance may be considered for protective services, and whether such assistance may include direct deployment of Bureau of Diplomatic Security personnel, contract security assistance or reimbursement to state and local authorities.

(2) An analysis of security factors shall take into account potential or actual violence or interruption of diplomatic activities including, but not limited to specific events or patterns of activity involving (1) confrontations between nationalist or other groups, (2) threats or acts of violence by terrorist or other groups, (3) a specific diplomatic or international occurrence, (4) demonstrations or efforts to impede the conduct of normal diplomatic activities, (5) the impact of security efforts in the United States upon security measures and safety of missions and personnel of the U.S. Government abroad, or (6) other circumstances which prevent proper conduct of foreign mission activities. Security analysis under these guidelines may be coordinated, within the Department of State, with the Director of the Office of Foreign Missions, the Director of the Office of Counter-terrorism and Emergency Planning, and the Director of Bureau of Intelligence and Research.

2a.9 Provision of Protective Services in Cases of Extraordinary Protective Need.

In cases determined under these guidelines to constitute an extraordinary protective need:

(A) The Deputy Assistant Secretary shall determine whether security personnel of the Department of State may be deployed;

(B) If this is not feasible, the Deputy Assistant Secretary, through the Bureau of Diplomatic Security Field Offices, or a United States Mission, as appropriate has the delegated authority to request the assistance of other Federal law enforcement authorities in the provision of protective services;

(C) If Federal law enforcement authorities are unable to provide assistance as requested, the Deputy Assistant Secretary, or the designated representative of a United States Mission, in cases involving the metropolitan area of that mission or facilities related to United Nations missions, are authorized:

(i) to request state and local law enforcement authorities to provide the necessary protective services, or

(ii) to obtain such services by contract with protective security organizations, in accordance with procedures issued by and subject to the approval of the Deputy Assistant Secretary.

2a.10 Reimbursement for Protective Services Provided by State or Local Authorities.

(A) The Deputy Assistant Secretary, in accordance with procedures set forth in these guidelines may, to the extent funds are available therefore, authorize reimbursement for reasonable direct expenses specifically incurred for the provision of extraordinary protective services incurred by State or local authorities under this section.

(B) No payment or reimbursement shall be directed to be paid by the Deputy Assistant Secretary pursuant to this section unless the specific type or scope of protective service has been requested in accordance with these guidelines; services may be provided under an interim cost estimate subject to such conditions as may be required by the Deputy Assistant Secretary for post-performance cost determinations.

(C) No payment or reimbursement shall be directed to be paid by the Deputy Assistant Secretary for that portion of protective services which are routine and were or could otherwise have been made available under the protective service standard of the jurisdiction.

(D) Direct overhead and administrative costs associated with an extraordinary protective service may be reimbursable on the basis of pre-performance negotiated rates, or interim rates subject to audit and redetermination by the Deputy Assistant Secretary.

(E) The provider of services or government agency to whom reimbursement is provided shall retain all documents and reimbursement or payment, for inspection or audit by representatives of the Department of State or of the Comptroller General.

2a.11 Special Rules for Reimbursement.

Limited funds are made available to the Department of State for partial reimbursement to state or local government under two statutory programs, each of which contains separate criteria:

(a) Foreign Missions, generally - Assistance for extraordinary protective services may be provided by reimbursement, subject to the following limitations set forth in the Foreign Missions Amendments Act of 1983 (Public Law 98-164) as amended.

(1) No more than 20 percent of funds available for obligation under this section in any fiscal year may be obligated for protective services within any single State during that year except as otherwise provided by law.

(2) Any agreement with a State or local authority for the provision or protective services under this section shall be for a period of not to exceed ninety days in any calendar year, but such agreements may be renewed after review by the Deputy Assistant Secretary.

(3) Not less than 15 percent of funds available for obligation under this section each fiscal year, except as otherwise provided by law shall be retained as a reserve for protective services provided directly by the Deputy Assistant Secretary or for expenditures in local jurisdictions not otherwise covered by an agreement for protective services under this section.

(b) Missions to International Organizations - Assistance. Extraordinary protective services related to certain international organizations, such as the United Nations, may be provided by reimbursement under title 3 of the U.S. Code, Sections 202, 208.

Reimbursements thereunder are subject to the following limitations (Note: funds available under subsection (a) above may be used for missions qualifying under this subsection (b)):

(1) The foreign missions to which the protective services are provided must be located in a metropolitan area (other than the District of Columbia) where there are located twenty or more such missions headed by full-time officers;

(2) the affected metropolitan area must request such reimbursement; and

(3) the extraordinary protective need must arise in association with a visit to or occur at a permanent mission to an international organization of which the United States is a member or an observer mission invited to participate in the work of such an organization.

2a.12 Extraordinary Protective Services in Cases of Urgency.

In cases of urgency, notwithstanding the requirements of Sections 2a.8-10 of these guidelines (but within applicable statutory limitations), Bureau of Diplomatic Security Field Offices and United States Missions, under guidelines issued by the Deputy Assistant Secretary with the concurrence of the Procurement Executive, including, as appropriate, limited field delegations of authority, may in cases of urgency approve the provision of extraordinary protective services in accordance with general cost guidelines, if any, applicable to the particular jurisdiction, or subject to post-performance cost agreement. Provision of extraordinary protective services under this section shall require a review of continuing need and shall not exceed thirty (30) days after initiation thereof.

2a.13 Protective Security Contract Services.

(A) In cases where the Deputy Assistant Secretary determines that extraordinary security services may not be appropriately implemented because of federal, state or local law enforcement resource limitations or other restrictions, necessary protective services may be obtained by contract with private security firms or provider of such services. In carrying out the purposes of this section, the Deputy Assistant Secretary is authorized to proceed to utilize the procurement authorities conferred upon the Secretary by section 208(d) of the Foreign Missions Act, in addition to such authority for obtaining contract services as may be available to the Department of State.

(B) The need for contract security services should be considered in cases where an extraordinary protective need arises in more than one jurisdiction, under circumstances where, for a particular mission the provision of protective services may be adversely affected because of state or local jurisdictional limitations.

(C) The Department Procurement Executive shall provide, for purposes of this section, a pre-qualification procedure, including appropriate pre-award security clearance requirements for firms or security provider interested in pre-qualification. Awards for services under this section may be limited to pre-qualification bidders for reasons of time of performance, or otherwise as authorized by Section 208(d) of the Foreign Missions Act.

2a.14 Foreign Missions Act Determination

Promulgation of these guidelines, and the issuance of supplementary guidelines under section 2a.15 and implementing instructions where required, are determined hereby to constitute regulations or instructions pursuant to section 208(b) of the Foreign Missions Act (22 USC 4308(b)), and persons acting in compliance therewith are entitled to assert that section in accordance with its term. This section 2a.14 shall be applicable, but shall not be limited to, authorized acts or omissions of law enforcement and security personnel in jurisdictions outside those in which they are otherwise authorized to perform official functions, subject to federal law enforcement standards applicable to such acts or omissions, or in the absence of such standards, to the standards otherwise applicable in the jurisdictions involved.

2a.15 Supplementary Guidelines; State and Local Agreements Forms.

(A) The Deputy Assistant Secretary may from time to time issue, or authorize the issuance by designated Bureau of Diplomatic Security Field Offices or United States Missions, supplementary guidelines implementing these guidelines and applicable to particular jurisdictions or to particular categories of protective security within such jurisdictions.

(B) The Deputy Assistant Secretary may enter into agreements with state and local authorities for the provision of protective services under these guidelines. Any such agreement shall be for a period of not to exceed ninety days in any calendar year, but may be renewed after review by the Deputy Assistant Secretary.

2a.16 Effective Date; Retroactive Application.

These guidelines shall be effective on the date of issuance. The provisions of these guidelines with respect to reimbursement may be applied retroactively to protective services, subject to qualification under the terms herein and ratification by the Deputy Assistant Secretary for the Diplomatic Security Service, on and after October 1, 1984.

Contact for Information:

Requests for protective security assistance or for reimbursement in cases determined to constitute an extraordinary need may be forwarded to the Bureau of Diplomatic Security, Protective Liaison Division (DS/PT/PL) - Room 2435, Department of State, Washington, D.C. 20520, or through Department of State Field Offices of the Bureau of Diplomatic Security or the appropriate United States Mission to an international organization.

State Department, Bureau of Diplomatic Security (DS/PT/PL)
Protective Liaison Division (DS/PT/PL) (202) - 647-6173.

After regular business hours, all inquiries shall be made to the Coordination Center of the Bureau of Diplomatic Security, Department of State: The Coordination Center operates on a 24-hour basis (647-2412).

Office of Foreign Missions
(202) - 647-3416

Bureau of Diplomatic Security Field Offices:

Boston, Mass 02203, John F. Kennedy Bldg.,
Government Center, Room 405C
(617) 223-2753

Chicago, Ill 60604, Dirksen Federal Bldg.,
219 S. Dearborn Street Suite 1378
(312) 353-6163

Dallas, Texas 75242, Federal Bldg. Room 7C-44,
110 Commerce Street
(214) 767-0702

Los Angeles, California 90012, Federal Bldg.,
300 N. Los Angeles Street, Room 8120
(213) 688-3290

Miami, Florida 33130, Federal Bldg., 51 SW First
Avenue, Room 1627
(305) 350-5781

New York, NY 10278, 26 Federal Plaza, Suite 3400
(212) 264-1292

Philadelphia, Pennsylvania 19106, Mall Bldg., 325
Chestnut Street, Room 512
(215) 597-7435

San Francisco, California 94102, Federal Bldg,, 450
Golden Gate Avenue, Room 13347
(415) 556-5097

US Mission to the United Nations (USUN) Host Country Section
(212) 415-4131

After regular business hours, all inquiries should be made to the Communications Section of the U.S. Mission to the United Nations. This Section operations on a 24-hour basis (212) 415-4444.

12070

Impact of Sequestration

Question:

1. I understand that $409,000 was sequestered from this appropriation for FY 1986. What was the impact of that reduction on the activities in this account.

Answer:

The $409,000 sequestration resulted in a reduced program activity for FY 1986. Specifically, the sequestration action impacted on program activities as follows:

Program Area	Amount
Title III (City of New York)	$310,000
Protection of Foreign Missions and Officials	99,000
Total	$409,000

Impact of Sequestration

Question:

2. Will a reprogramming be necessary to accomodate this reduction?

Answer:

Reprogramming would not be possible to accomodate this reduction since the funds are under a separate appropriation and not part of the Department's annual salaries and expenses appropriation.

Increase for FY 1987

Question:

The budget justifications indicate that the increases are for price increases, and the amounts shown work out to about an eight percent increase over the amounts that were originally appropriated and allocated for FY 1986. How can you estimate price increases of this magnitude when the Administration's official inflation projections are about one-half that figure?

Answer:

The Bureau of Diplomatic Security's estimated FY 1986 recurring program base is $122,783,000. Price increases as reflected in the FY 1987 budget amount to only $268,000, or about .22% of the FY 1986 estimate.

The $268,000 price increase requested by the Bureau of Diplomatic Security is needed to cover projected cost increases associated with reimbursing the Department of the Navy for Seabees. The Department of State reimburses the Department of the Navy on a composite rate basis for pay and allowances and retirement accrual. To this amount is added an 18% surcharge on enlisted personnel and a 6% surcharge on officers to cover the personnel support costs associated with Seabee operations. To cover the anticipated 4% pay raise in FY 1987, the Department of the Navy intends to increase the officer composite rate by 3.6% and the enlisted rate by 5.2%. Without considering additional increases in the Seabee complement, the FY 1986 complement will cost an additional $267,138 in FY 1987.

Additional Requests for Protection

Question:

1. Are you experiencing additional requests from foreign governments for protection of their officials around the United States?

Answer:

There have been some additional requests for protection. The threats are often couched with threats of reciprocal treatment for our facilities and personnel overseas. During the past three months we have been requested to provide protection for all diplomatic and consular personnel of Haiti, The Philippines, and Yugoslavia. In addition, we have also received requests to protect some personnel from Israel, South Africa, Liberia, France, Germany, Trinidad and Tobago, Sweden, and Romania. This is in addition to the continuing requests for protection of all Turkish officials.

Additional Requests for Protection

Question:

2. I notice in the "Salaries and Expenses" appropriation you are requesting a total of $14.2 million and 126 positions in the FY 1986 supplemental and in FY 1987 for protection of Foreign Dignitaries and Missions in the U.S. How is that program different from this one?

Answer:

The requested money and positions to which you refer is needed to enable the Department to fulfill its statutory responsibility for protecting foreign officials and official visitors below the level of Head of State or Head of Government, as well as to provide for protective details on threatened Ambassadors and other foreign officials accredited by the U.S. We have been understaffed in the past to perform this function adequately. The additional money and positions will bring staffing of protective details for visiting Foreign Dignitaries up to a minimum standard

Additional Requests for Protection

Question:

3. What limits do you have on the present program, and what limits are you going to place on the new program in the "Salaries and Expenses" appropriation if that item is approved?

Answer:

We prioritize our protective details based on actual threats to the individuals. We will continue to evaluate strictly all threat information and assign protective details only to those persons who are indeed potential targets of terrorism.

Reimbursement of Jurisdiction

Question:

2. Of the $2.5 million which is currently available for this purpose for 1986, how much has been allocated to date, to what jurisdictions, and for what purposes? •

Answer:

The attached spreadsheet outlines the expenses for FY 85, by jurisdiction, and purpose; FY 86 figures are being compiled.

State	City	Who	Inv #	Period	Amount Requested	Approval Date	Approval Amount	FY 85 Cumulative	Budget Totals
CA	Los Angeles	Turkish Consulate	1/85	1/85	$52,025.50	3/19/85	$18,378.25	$18,378.25	
			I0041	2/85	47,925.00	5/7/85	47,925.00	66,303.25	
			I0014	3/85	54,792.50	6/19/85	54,792.50	121,095.75	
			I0160	4/85	51,563.00	6/24/86	51,554.75	172,650.50	
			I0199	5/85	52,295.00	6/24/85	52,294.50	224,945.00	
			I0262	6/85	51,164.50	8/5/85	51,152.75	276,097.75	
			I0303	7/85	56,194.75	9/30/85	56,194.75	332,292.50	
			I0399	8/85	53,828.50	10/3/85	53,751.25	386,043.75	
			I0486	9/85	50,092.00	11/19/85	50,092.00	436,135.75	
						TOTAL LOS ANGELES		$436,135.75	
	San Francisco	Indian	PR-50758	6/85	$8,580.60	9/27/85	$8,580.60	$8,580.60	
						TOTAL SAN FRANCISCO		$8,580.60	
						TOTAL CALIFORNIA		$444,716.35	$444,716.35
DC	Washington	UAE	1/3/85	12/84	$5,045.00	2/12/85	$5,045.00	$5,045.00	
			2/2/85	1/85	6,441.00	2/11/85	6,441.00	11,486.00	
			3/3/85	2/85	6,162.00	3/5/85	6,162.00	17,648.00	
			4/1/85	3/85	3,925.00	4/9/85	3,925.00	21,573.00	
			5/3/85	4/85	1,865.00	5/9/85	1,855.00	23,428.00	
			6/4/85	5/85	5,781.00	6/11/85	5,771.00	29,199.00	
			7/5/85	6/85	5,595.00	7/9/85	5,595.00	34,794.00	
			8/7/85	7/85	6,005.00	8/23/85	6,005.00	40,799.00	
			9/4/85	8/85	5,045.00	9/16/85	5,045.00	45,844.00	
			10/7/85	9/85	5,340.00	10/9/85	5,340.00	51,184.00	
						TOTAL DC		$51,184.00	$495,900.35
IL	Chicago	Turks/ Yugoslavs	6/28/85	4/85	$9,310.79	9/27/85	$9,310.79	$9,310.79	
						TOTAL ILLINOIS		$9,310.79	$505,211.14
NY	Glen Cove	Soviet Mission	3/27/85	10/84-12/84	$15,560.00		$16,560.00	$16,560.00	
			4/1/85	1/85-3/85	16,391.25		16,391.25	32,951.25	
			7/1/85	4/85-6/85	17,472.00		17,472.00	50,423.25	
			10/16/85	7/85-9/85	18,513.00		18,513.00	68,936.25	
						TOTAL GLEN COVE		$68,936.25	
	New York		4/18/85	10/84-12/84	$133,321.19	8/13/85	$133,321.19	$133,321.19	
			10/17/85	1/85-3/85	160,748.23	12/6/85	160,748.23	294,069.42	
						TOTAL NEW YORK CITY		$294,069.42	
						TOTAL NEW YORK STATE		$363,005.67	$868,216.81
TX	Houston	South Africa	4/24/85	10/84-3/85	$28,391.42	9/27/85	$3,472.18	$3,472.18	
			8/2/85	4/85-6/85	1,392.68	9/27/85	1,329.68	4,801.86	
						TOTAL TEXAS		$4,801.86	$873,018.67
Operating Expenses 85					$42,632.00		$42,632.00	$42,632.00	
						TOTAL EXPENSES		$42,632.00	$915,650.67

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